FEDERAL REGISTER

VOLUME 18 NUMBER 240

Washington, Thursday, December 10, 1953

TITLE 7—AGRICULTURE

Chapter VII—Production and Marketing Administration (Agricultural Adjustment), Department of Agriculture

[Amdt. 1]

PART 722—COTTON

APPORTIONMENT OF STATE ACREAGE ALLOTMENT AMONG COUNTIES

Basis and purpose. The purpose of this amendment is to establish the county acreage allotments for the 1954 crop of extra long staple cotton pursuant to sections 344 (e) and 347 (c) of the Agricultural Adjustment Act of 1938, as amended. Notice of the proposed establishment of such allotments was given on November 13, 1953 (18 F. R. 7196) pursuant to section 4 of the Administrative Procedure Act (5 U. S. C. 1003)

Farmers engaged in the production of extra long staple cotton in 1953 will determine in a referendum to be held on December 15, 1953, whether marketing quotas will be in effect on the 1954 crop of such cotton. In order that county acreage allotments may be apportioned to farms and notices of individual farm acreage allotments mailed, insofar as practicable, so as to be received by farmers prior to the referendum, as required by section 362 of the Agricultural Adjustment Act of 1938, as amended, it is essential that this amendment be made effective as soon as possible. Accordingly, it is hereby determined and found that compliance with the 30-day effective date requirements of section 4 of the Administrative Procedure Act is impracticable and contrary to the public interest, and the county acreage allotments contained herein shall be effective upon filing of this document with the Director, Division of the Federal Register.

Section 722.1116 (e) of the Marketing Quota Regulations Relating to Apportionment of the National Acreage Allotment for the 1954 Crop of Extra Long Staple Cotton to States, Counties, and Farms (18 F. R. 7883) is amended to read as follows:

§ 722.1116 *Apportionment of State acreage allotment among counties*—

* * *

(e) *County acreage allotment.* The county acreage allotment shall be the sum of (1) the computed county acreage allotment determined under paragraph (b) of this section and (2) the acreages from the State acreage reserve which are added to the computed county acreage allotment under subparagraphs (1) and (2) of paragraph (c) of this section. The county acreage allotment for each county is set out below. The amounts of the acreages set aside and reserved by each county committee pursuant to § 722.1117 (a) and (b) are available for inspection by any interested person at the office of the county committee. Also, available for inspection at the office of the county committee are the data pertaining to the establishment of administrative areas in accordance with paragraph (f) of this section.

County: ARIZONA	*County acreage allotments*
Cochise	43
Graham	3,735
Maricopa	6,797
Pima	1,313
Pinal	4,014
Santa Cruz	13
Yuma	106
a. State total	16,021
b. State acreage reserve for small farms and new farms	250
c. State acreage allotment	16,271

County: CALIFORNIA	*County acreage allotments*
Imperial	30
Riverside	215
a. State total	245
b. State acreage reserve for small farms and new farms	27
c. State acreage allotment	272

County: FLORIDA	*County acreage allotments*
Alachua	60.0
Columbia	32.0
Hamilton	5.0
Jefferson	0.1
Lake	168.5
Madison	29.0
Marion	114.5
Orange	23.0
Putnam	8.6

(Continued on next page)

CONTENTS

FEDERAL REGISTER

Published daily, except Sundays, Mondays, and days following official Federal holidays, by the Federal Register Division, National Archives and Records Service, General Services Administration, pursuant to the authority contained in the Federal Register Act, approved July 26, 1935 (49 Stat. 500, as amended; 44 U. S. C., ch. 8B), under regulations prescribed by the Administrative Committee of the Federal Register, approved by the President. Distribution is made only by the Superintendent of Documents, Government Printing Office, Washington 25, D. C.

The regulatory material appearing herein is keyed to the Code of Federal Regulations, which is published, under 50 titles, pursuant to section 11 of the Federal Register Act, as amended August 5, 1953.

The FEDERAL REGISTER will be furnished by mail to subscribers, free of postage, for $1.50 per month or $15.00 per year, payable in advance. The charge for individual copies (minimum 15¢) varies in proportion to the size of the issue. Remit check or money order, made payable to the Superintendent of Documents, directly to the Government Printing Office, Washington 25, D. C.

There are no restrictions on the republication of material appearing in the FEDERAL REGISTER.

CONTENTS—Continued

CONTENTS—Continued

CODIFICATION GUIDE

A numerical list of the parts of the Code of Federal Regulations affected by documents published in this issue. Proposed rules, as opposed to final actions, are identified as such.

FLORIDA—Con.

County—Con.	*County acreage allotments*
Seminole	80.0
Suwannee	2.6
Union	35.0
Volusia	6.8
a. State total	565.1
b. State acreage reserve for small farms and new farms	48.9
c. State acreage allotment	614.0

GEORGIA

County	*County acreage allotments*
Atkinson	1
Berrien	134
Cook	28
Lanier	16
a. State total	179
b. State acreage reserve for small farms and new farms	6
c. State acreage allotment	185

NEW MEXICO

County	*County acreage allotments*
Dona Ana	6,826
Eddy	95

New Mexico—Con. County—Con.	County acreage allotments
Luna	12
Otero	13
Sierra	47
a. State total	6,995
b. State acreage reserve for small farms and new farms	149
c. State acreage allotment	7,144

Texas County	County acreage allotments
Brewster	43
Culberson	181
El Paso	8,368
Hudspeth	984
Loving	8
Pecos	195
Presidio	56
Reeves	3,568
Ward	381
a. State total	13,784
b. State acreage reserve for small farms and new farms	475
c. State acreage allotment	14,259

Puerto Rico Area:	Area acreage allotments
North	1,918
South	346
a. Puerto Rico area total	2,264
b. Puerto Rico acreage reserve for small farms and new farms	252
c. Puerto Rico total acreage allotment	2,516

(Sec. 375, 52 Stat. 66, as amended; 7 U. S. C. 1375. Interprets or applies Secs. 344, 347, 362, 52 Stat. 57, 59, 62, as amended; 7 U. S. C. 1344, 1347, 1362)

Issued at Washington, D. C., this 7th day of December 1953. Witness my hand and the seal of the Department of Agriculture.

[SEAL] TRUE D. MORSE,
Acting Secretary of Agriculture.

[F. R. Doc. 53-10296; Filed, Dec. 7, 1953; 4:24 p. m.]

TITLE 14—CIVIL AVIATION

Chapter II—Civil Aeronautics Administration, Department of Commerce

[Amdt. 67]

PART 608—DANGER AREAS

FORT DIX, NEW JERSEY; ALTERATION

The danger area alteration appearing hereinafter has been coordinated with the civil operators involved, the Army, the Navy, and the Air Force, through the Air Coordinating Committee, Airspace Subcommittee, and is adopted to become effective when indicated in order to promote safety of the flying public. Since a military function of the United States is involved, compliance with the notice, procedures, and effective date provisions of section 4 of the Administrative Procedure Act is not required. Part 608 is amended as follows:

In § 608.38, the Fort Dix, New Jersey, area (D-25) published on July 16, 1949, in 14 F. R. 4293, and amended on January 8, 1952, in 17 F R. 191, is further amended by changing the "Description by Geographical Coordinates" column to read: "Beginning at lat. 40°02'45" N., long. 74°25'50" W., SSE. to lat. 39°58'-45" N., long. 74°24'45" W., SSW. to lat. 39°56'00" N., long. 74°26'20" W., NW. to lat. 39°57'20" N., long. 74°27'40" W., westerly along a road to lat. 39°57'20" N., long. 74°33'30" W., due N. to lat. 40°02'45" N., due E. to lat. 40°02'45" N., long. 74°25'50" W., point of beginning."

(Sec. 205, 52 Stat. 984, as amended; 49 U. S. C. 425. Interprets or applies sec. 601, 52 Stat. 1007, as amended; 49 U. S. C. 551)

This amendment shall become effective on December 8, 1953.

[SEAL] F. B. LEE,
Administrator of Civil Aeronautics.

[F. R. Doc. 53-10268; Filed, Dec. 8, 1953; 1:12 p. m.]

TITLE 15—COMMERCE AND FOREIGN TRADE

AMENDMENTS OF CERTAIN PARTS AND CHAPTERS

In order to conform the codification of Title 15 of the Code of Federal Regulations to the present organizational pattern of the Department of Commerce, that title is amended in the following respects:

1. In Subtitle A—Office of the Secretary of Commerce, a new Part 3 is added as follows:

PART 3—APPEALS PROCEDURES

CROSS REFERENCE: For the appeals procedures followed by the Appeals Board for the Department of Commerce (established August 18, 1953, 18 F. R. 5125), see Parts 382 and 383 of this title, RP 1 and Reg. 5 under Chapter VI of Title 32A, and § 401.9, Chapter IV of Title 44.

2. The headnote of Chapter III is amended to read "Bureau of Foreign Commerce, Department of Commerce"

3. Subchapter A—Office of Business Economics of Chapter III is redesignated Chapter VIII—Office of Business Economics, Department of Commerce of this title, and Parts 301, 302, 305, and 323 are redesignated Parts 801, 802, 805, and 823.

4. Subchapter B—Office of Industry and Commerce of Chapter III is revoked.

5. The headnote of Subchapter C of Chapter III is deleted. All references to the Office of International Trade appearing in Parts 360-399 of this chapter should read "Bureau of Foreign Commerce."

6. A new headnote "Subchapter A—Miscellaneous Regulations" is inserted preceding Part 360, and the headnote "Export Regulations" which precedes Part 370 is redesignated "Subchapter B—Export Regulations" and is transferred to precede Part 368.

7. Chapter VI—Office of Technical Services, Department of Commerce is redesignated Chapter VI—Business and Defense Services Administration, Department of Commerce. The reference in § 601.2 to the Office of Technical Services should read "Business and Defense Services Administration." For regulations of Business and Defense Services Administration under the Defense Production Act of 1950, as amended, see Title 32A, Chapter VI.

[SEAL] SINCLAIR WEEKS,
Secretary of Commerce.

[F. R. Doc. 53-10293; Filed, Dec. 9, 1953; 8:51 a. m.]

TITLE 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket 6116]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

SUNSET APPLIANCE STORES, INC., ET AL.

Subpart—*Advertising falsely or misleadingly:* § 3.35 *Condition of goods;* § 3.200 *Sample, offer or order conformance;* § 3.260 *Terms and conditions;* § 3.275 *Undertakings, in general.* Subpart—*Offering unfair improper and deceptive inducements to purchase or deal:* § 3.2060 *Sample, offer or order conformance;* § 3.2080 *Terms and conditions;* § 3.2090 *Undertakings, in general.* In connection with the offering for sale, sale or distribution in commerce, of television sets or other merchandise, representing, directly or by implication: (1) That any product is offered for sale when such offer is not a bona fide offer to sell the product so offered; (2) offering for sale or demonstration any television set or other appliance unless such set or appliance is in stock or otherwise available to customers under the conditions stated in such offer and at such price as may be designated therein; (3) that air conditioners, television sets or other electric appliances will be demonstrated in the homes of prospective purchasers or will be demonstrated without charge or obligation, contrary to the fact; that (4) that air conditioners, television sets or other electric appliances are completely or thoroughly reconditioned or rebuilt or are in perfect working order when such is not the fact; prohibited.

(Sec. 6, 38 Stat. 722; 15 U. S. C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 15 U. S. C. 45) [Cease and desist order, Sunset Appliance Stores, Inc., et al., Long Island, N. Y., Docket 6116, November 10, 1953]

In the Matter of Sunset Appliance Stores, Inc., a Corporation; and Joseph Rudnick and Morris Sobel (Erroneously Named as Lawrence Sobol) Individually and as Officers of Sunset Appliance Stores, Inc., a Corporation

This proceeding was instituted by complaint which charged respondents with the use of unfair and deceptive acts and practices and unfair methods of competition in violation of the provisions of the Federal Trade Commission Act.

It was disposed of, as announced by the Commission's "Notice" dated November 13, 1953, through the consent settlement procedure provided in Rule V of the Commission's rules of practice as follows:

The consent settlement tendered by the parties in this proceeding, a copy of which is served herewith, was accepted

by the Commission on November 10, 1953 and ordered entered of record as the Commission's findings as to the facts,[1] conclusion,[1] and order in disposition of this proceeding.

Said order to cease and desist, thus entered of record, following the findings as to the facts and conclusion, reads as follows:

It is ordered, That the respondents, Sunset Appliance Stores, Inc., a corporation, and its officers, and Joseph Rudnick and Morris Sobel, individually, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution in commerce, as "commerce" is defined in the Federal Trade Commission Act, of television sets or other merchandise, do forthwith cease and desist from representing, directly or by implication:

1. That any product is offered for sale when such offer is not a bona fide offer to sell the product so offered.

2. Offering for sale or demonstration any television set or other appliance unless such set or appliance is in stock or otherwise available to customers under the conditions stated in such offer and at such price as may be designated therein.

3. That air conditioners, television sets or other electric appliances will be demonstrated in the homes of prospective purchasers or will be demonstrated without charge or obligation, contrary to the fact.

4. That air conditioners, television sets or other electric appliances are completely or thoroughly reconditioned or rebuilt or are in perfect working order when such is not the fact.

It is further ordered, That respondents shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with this order.

The foregoing consent settlement is hereby accepted by the Federal Trade Commission and ordered entered of record on this 10th day of November, 1953.

Issued: November 13, 1953.

By direction of the Commission.

[SEAL] ALEX. AKERMAN, Jr., *Secretary.*

[F. R. Doc. 53-10297; Filed, Dec. 9, 1953; 8:52 a. m.]

[1] Filed as part of the original document.

TITLE 24—HOUSING AND HOUSING CREDIT

Chapter I—Home Loan Bank Board, Housing and Home Finance Agency

Subchapter C—Federal Savings and Loan System

[No. 6573]

PART 149—POWERS OF CONSERVATOR AND CONDUCT OF CONSERVATORSHIPS

AUTHORITY OF OFFICERS

DECEMBER 7, 1953.

Resolved that, pursuant to § 108.11 of the general regulations of the Home Loan Bank Board (24 CFR 108.11) and § 142.1 of the rules and regulations for the Federal Savings and Loan System (24 CFR 142.1) the first sentence of § 149.11 of the rules and regulations for the Federal Savings and Loan System (24 CFR 149.11) is hereby amended, effective December 10, 1953, by substituting a comma for the period at the end thereof and adding the following: "or any person or persons from time to time designated by the Home Loan Bank Board."

Resolved further that, as this amendment relates to matters of organization procedure, notice and public procedure thereon are found unnecessary and, as it is necessary that this power be exercised forthwith in the benefit of the public, deferment of the effective date of this amendment is not required.

(Sec. 5, 48 Stat. 132 as amended; 12 U. S. C. and Sup. 1464)

By the Home Loan Bank Board.

[SEAL] J. FRANCIS MOORE, *Secretary.*

[F. R. Doc. 53-10294; Filed, Dec. 9, 1953; 8:51 a. m.]

TITLE 26—INTERNAL REVENUE

Chapter I—Internal Revenue Service, Department of the Treasury

Subchapter A—Income and Excess Profits Taxes

[T. D. 6056]

PART 7—TAXATION PURSUANT TO TREATIES

SUBPART—BELGIUM

Sec.

AUTHORITY: §§ 7.1100 to 7.1109 issued under 53 Stat. 32, 467; 26 U. S. C. 62, 3791.

§ 7.1100 *Introductory.* (a) The income tax convention between the United States and Belgium, signed October 28, 1948, as modified and supplemented by the supplementary convention between such Governments, signed September 9, 1952, and proclaimed by the President of the United States on September 23, 1953, referred to in this subpart as the convention, provides in part as follows, effective with respect to income derived in taxable years beginning on or after January 1, 1953:

ARTICLE I

(1) The taxes which are the subject of the present Convention are:

(a) In the case of the United States: The Federal income taxes.

(b) In the case of Belgium: The income taxes, the national crisis tax, and the personal complementary tax, including all additions to these taxes.

(2) The present Convention shall apply also to any other taxes of a substantially similar character imposed by either Contracting State subsequently to the date of signature of the present Convention or by the government of any territory to which the present Convention is extended under Article XXII.

(3) In the event of appreciable changes in the fiscal laws of either of the Contracting States the competent authorities of the Contracting States will consult together.

ARTICLE II

(1) In the present Convention, unless the context otherwise requires:

(a) The term "United States" means the United States of America, and when used in a geographical sense means the States, the Territories of Alaska and of Hawaii, and the District of Columbia.

(b) The term "Belgium" when used in a geographical sense means the Kingdom of Belgium in Europe.

(c) The term "United States enterprise" means an industrial or commercial enterprise or undertaking carried on in the United States by a citizen or resident of the United States or by a corporation or other juridical person created or organized in the United States or under the laws of the United States or of any State or Territory of the United States.

(d) The term "Belgium enterprise" means an industrial or commercial enterprise or undertaking carried on in Belgium by a citizen or resident of Belgium or by a corporation or other juridical person created or organized in Belgium or under the laws of Belgium.

(e) The terms "enterprise of one of the Contracting States" and "enterprise of the other Contracting State" mean a United States enterprise or a Belgium enterprise, as the context requires.

(f) The term "permanent establishment," when used with respect to an enterprise of one of the Contracting States, means a branch, factory, mine, oil well, plantation, workshop, warehouse, installation, or other fixed place of business, but does not include an agency unless the agent has, and habitually exercises, a general authority to negotiate and conclude contracts on behalf of such enterprise or has control over a stock of merhandise from which he regularly fills orders on behalf of such enterprise. An enterprise of one of the Contracting States shall not be deemed to have a permanent establishment in the other Contracting State merely because it carries on business dealings in such other Contracting State through a bona fide commission agent or broker acting in the ordinary course of his business as such. When a corporation of one Contracting State has a subsidiary corporation which is a corporation created or organized in the other Contracting State or which is engaged in trade or business in such other Contracting State, such subsidiary corporation shall not, merely because of that fact, be deemed to be a permanent establishment of its parent corporation.

(g) The term "industrial and commercial profits" shall not include the following:

(i) Income from real property;

(ii) Income from mortgages, from public funds, securities (including mortgage bonds), loans, deposits, and current accounts;

(iii) Dividends and other income from shares in a corporation;

(iv) Rentals or royalties arising from leasing personal property or from any interest in such property, including rentals or royalties for the use of, or for the privilege of using, patents, copyrights, secret processes and formulae, good will, trade marks, trade brands, franchises, and other like property;

(v) Profit or loss from the sale or exchange of capital assets;

(vi) Compensation for labor or personal services.

Subject to the provisions of the present Convention, the income referred to in sub-

paragraphs (i) to (vi) shall be taxed separately or together with industrial and commercial profits in accordance with the laws of the Contracting States.

(h) The term "competent authority" or "competent authorities" means, in the case of the United States, the Commissioner of Internal Revenue or his duly authorized representative; and in the case of Belgium, the Directeur General de l'Administration des Contributions Directes or his duly authorized representative; and, in the case of any territory to which the present Convention is extended under Article XXII, the competent authority for the administration in such territory of the taxes to which the present Convention applies.

(2) In the application of the provision of the present Convention by either of the Contracting States, any term which is not otherwise defined shall, unless the context otherwise requires, have the meaning which that term has under the laws of such Contracting State relating to the taxes which are the subject of the present Convention.

* * * * *

ARTICLE VI

Income of whatever nature derived from real property shall be taxable only in the Contracting State in which the real property is situated. This Article does not apply to income derived from mortgages or bonds secured by real property.

* * * * *

ARTICLE VIII

(1) The rate of United States tax on dividends derived from sources within the United States by a resident or corporation or other entity of Belgium not having a permanent establishment within the United States shall not exceed 15 percent.

(2) Belgium shall not impose on dividends derived from sources within Belgium by a resident or corporation or other entity of the United States not having a permanent establishment within Belgium any tax in the nature of a personal complementary tax or surtax thereon, or any tax similar to that withheld at the source on dividends under United States law in the case of nonresident aliens and foreign corporations.

ARTICLE VIIIA

The rate of tax imposed by each of the Contracting States upon interest (on bonds, notes, debentures, or on any other form of indebtedness) derived from sources within such State by a resident or corporation or other entity of the other State not having a permanent establishment within the former State shall not exceed 15 percent.

ARTICLE IX

(1) Rentals or royalties from real property or in respect of the operation of mines, quarries, or other natural resources shall be taxable only in the Contracting State in which such property, mines, quarries, or other natural resources are situated. A resident of Belgium, or a corporation or other juridical person created or organized in Belgium deriving such rentals or royalties from sources within the United States may elect for any taxable year to be subject to United States tax as if such resident, corporation, or entity were engaged in trade or business within the United States through a permanent establishment therein in such taxable year.

(2) Royalties derived from within one of the Contracting States by a resident or by a corporation or other entity of the other Contracting State as consideration for the right to use copyrights, patents, secret processes and formulae, trade marks and other analogous rights shall be exempt from taxation in the former State, provided such resident, corporation, or other entity does not have a permanent establishment there. The term "royalties" as used in this paragraph shall be deemed to include rentals in respect of motion picture films.

ARTICLE X

* * * * *

(2) Private pensions and annuities derived from within one of the Contracting States and paid to individuals residing in the other Contracting State shall be exempt from taxation in the former State.

(3) The term "pensions" as used in this Article means periodic payments made in consideration for services rendered or by way of compensation for injuries received.

(4) The term "annuities" as used in this Article means a stated sum payable periodically at stated times, under an obligation to make the payments in consideration of money paid.

* * * * *

ARTICLE XV

(1) The competent authorities of the Contracting States shall exchange such information (being information available under the respective taxation laws of the Contracting States) as is necessary for carrying out the provisions of the present Convention or for the prevention of fraud or the administration of statutory provisions and regulations against legal avoidance in relation to the taxes which are the subject of the present Convention.

(2) Documents and information contained therein, transmitted under the provisions of the present Convention by one of the Contracting States to the other Contracting State shall not be published, revealed or disclosed to any person except to the extent permitted under the laws of the latter State with respect to similar documents or information.

* * * * *

ARTICLE XVII

Each of the Contracting States shall collect taxes, which are the subject of this Convention, imposed by the other Contracting State (as though such tax were a tax imposed by the former State) as will ensure that the exemption, or reduced rate of tax, as the case may be, granted under the present Convention by such other State shall not be enjoyed by persons not entitled to such benefits.

ARTICLE XVIII

(1) In no case shall the provisions of Articles XV, XVI, and XVII be construed so as to impose upon either of the Contracting States the obligation

(a) to carry out administrative measures at variance with the regulations and practice of either Contracting State, or

(b) to supply information or particulars which are not procurable under its own legislation or that of the State making the application.

(2) The State to which application is made for information or assistance shall comply as soon as possible with the request addressed to it. Nevertheless, such State may refuse to comply with the request for reasons of public policy or if compliance would involve violation of a business, industrial or trade secret. In such case it shall inform, as soon as possible, the State making the application.

* * * * *

ARTICLE XX

(1) The provisions of the present Convention shall not be construed to restrict in any manner any exemption, deduction, credit or other allowance accorded by the laws of one of the Contracting States in the determination of the tax imposed by such State.

(2) Should any difficulty or doubt arise as to the interpretation or application of the present Convention, the competent authorities of the Contracting States shall settle the question by mutual agreement.

(3) Citizens or corporations or other juridical persons of one of the Contracting States within the other Contracting State shall not be subjected, as regards the taxes referred to in the present Convention, to the payment of higher taxes than are imposed upon the citizens or corporations or other juridical persons of such other Contracting State.

ARTICLE XXI

The competent authorities of the two Contracting States may (in the case of the United States, with the approval of the Secretary of the Treasury, and in the case of Belgium, with the approval of the Minister of Finance) prescribe regulations necessary to carry out the provisions of the present Convention. With respect to the provisions of the present Convention relating to exchange of information and mutual assistance in the collection of taxes, such authorities may, by common agreement, prescribe rules concerning matters of procedure, forms of application and replies thereto, conversion of currency, disposition of amounts collected, minimum amount subject to collection, and related matters.

* * * * *

ARTICLE XXIII

(1) The present Convention shall be ratified and the instruments of ratification shall be exchanged at Brussels as soon as possible.

(2) The present Convention shall become effective with respect to income derived in taxable years beginning on or after the first day of January of the calendar year in which the exchange of the instruments of ratification takes place, except that if such exchange takes place after the thirtieth day of September of such calendar year, Articles VIII and VIIIA and Article IX (2) shall become effective only with respect to payments made after the thirty-first day of December of such calendar year. It shall continue effective for a period of five years beginning with the first day of January of the calendar year in which such exchange takes place and indefinitely after that period, but may be terminated by either of the Contracting States at the end of the five-year period or at any time thereafter, provided that at least six months' prior notice of termination has been given, the termination to become effective on the first day of January following the expiration of the six-month period.

* * * * *

(b) As used in this subpart, any term defined in the convention shall have the meaning so assigned to it; any term not so defined shall, unless the context otherwise requires, have the meaning which such term has under the Internal Revenue Code.

§ 7.1101 *Dividends*—(a) *General.* (1) The rate of United States tax imposed by the Internal Revenue Code upon dividends derived from sources within the United States in taxable years beginning on or after January 1, 1953, by a nonresident alien (including a nonresident alien individual, fiduciary, and partnership) who is a resident of Belgium, or by a Belgian corporation or other entity, shall not exceed 15 percent under the provisions of Article VIII of the convention if such alien, corporation, or other entity at no time during the taxable year in which such dividends are derived has a permanent establishment within the United States. As to what constitutes a permanent es-

tablishment, see Article II (1) (f) of the convention.

(2) Thus, if a nonresident alien individual who is a resident of Belgium performs personal services within the United States during the taxable year, but has at no time during such year a permanent establishment within the United States, he is entitled to the reduced rate of tax with respect to dividends derived in that year from United States sources, as provided in Article VIII of the convention, even though under the provisions of section 211 (b) of the Internal Revenue Code he has engaged in trade or business within the United States during such year by reason of his having performed personal services therein.

(b) *Effect of address in Belgium on withholding in the case of dividends.* For the purpose of withholding of United States tax in the case of dividends every nonresident alien (including a nonresident alien individual, fiduciary, and partnership) whose address is in Belgium shall be deemed by United States withholding agents to be a nonresident alien who is a resident of Belgium not having a permanent establishment within the United States; and every foreign corporation whose address is in Belgium shall be deemed by such withholding agents to be a Belgium corporation not having a permanent establishment within the United States.

(c) *Rate of withholding.* (1) Withholding at source in the case of dividends derived from sources within the United States and paid on or after January 1, 1953, to nonresident aliens (including a nonresident alien individual, fiduciary, and partnership) and to foreign corporations, whose addresses are in Belgium, shall be at the rate of 15 percent in every case except that in which, prior to the date of payment of such dividends, the Commissioner of Internal Revenue has notified the withholding agent that the reduced rate of withholding shall not apply.

(2) The preceding provisions respecting the application of the reduced withholding rate in the case of dividends paid to nonresident aliens and foreign corporations with addresses in Belgium are based upon the assumption that the payee of the dividend is the actual owner of the capital stock from which the dividend is derived and consequently is the person liable to United States tax upon such dividend. As to action by the recipient who is not the owner of the dividend, see § 7.1107.

(3) The rate at which United States tax has been withheld from any dividend paid at any time after the expiration of the thirtieth day after the date on which this subpart is published in the FEDERAL REGISTER to any person whose address is in Belgium at the time the dividend is paid shall be shown either in writing or by appropriate stamp on the check, draft, or other evidence of payment, or on an accompanying statement.

§ 7.1102 *Interest*—(a) *General.* The rate of United States tax imposed by the Internal Revenue Code upon interest on bonds, securities, notes, debentures, or on any other form of indebtedness, including interest on obligations of the United States, obligations of instrumentalities of the United States, and mortgages and bonds secured by real property, which is derived from sources within the United States in taxable years beginning on or after January 1, 1953, by a nonresident alien (including a nonresident alien individual, fiduciary, and partnership) who is a resident of Belgium, or by a Belgian corporation or other entity, shall not exceed 15 percent under the provisions of Article VIIIA of the convention if such alien, corporation, or other entity at no time during the taxable year in which such interest is derived has a permanent establishment in the United States. As to what constitutes a permanent establishment, see Article II (1) (f) of the convention.

(b) *Application of reduced rate at source.* (1) To secure the reduced rate of United States tax at source in the case of coupon bond interest, the nonresident alien who is a resident of Belgium, or the Belgian corporation or other entity, shall for each issue of bonds file Form 1001–B in duplicate when presenting the interest coupons for payment. This form shall be signed by the owner of the interest, trustee, or agent and shall show the name and address of the obligor, the name and address of the owner of the interest, and the amount of the interest. It shall contain a statement that the owner (i) is a resident of Belgium, or is a Belgian corporation or other entity and (ii) has no permanent establishment in the United States.

(2) The reduction in the rate of United States tax contemplated by Article VIIIA of the convention, insofar as it concerns coupon bond interest, is applicable only to the owner of the interest. The person presenting the coupon or on whose behalf it is presented shall, for the purpose of the reduction in tax, be deemed to be the owner of the interest only if he is, at the time the coupon is presented for payment, the owner of the bond from which the coupon has been detached. If the person presenting the coupon or on whose behalf it is presented is not the owner of the bond, Form 1001, and not Form 1001–B, shall be executed.

(3) The original and duplicate of Form 1001–B shall be forwarded by the withholding agent to the District Director of Internal Revenue, Audit Division, Alien Returns Section, Baltimore 2, Maryland, with the quarterly return on Form 1012. See § 39.143–7 of this chapter (Regulations 118) Form 1001–B shall be listed on Form 1012.

(4) For general provisions pertaining to the use, without reference to the provisions of the convention, of ownership certificate, Form 1001, by nonresident aliens and nonresident foreign corporations, see §§ 39.143–4 and 39.143–6 of this chapter.

(5) To secure the reduced rate of United States tax at source in the case of interest, other than coupon bond interest, the nonresident alien who is a resident of Belgium, or the Belgian corporation or other entity, shall file Form 1001A–B in duplicate with the withholding agent in the United States. This form shall be signed by the owner of the interest, trustee, or agent and shall show the name and address of the obligor and the name and address of the owner of the interest. It shall contain a statement that the owner (i) is a resident of Belgium, or is a Belgian corporation or other entity, and (ii) has no permanent establishment in the United States.

(6) Form 1001A–B shall be filed with the withholding agent for each successive three-calendar-year period during which such interest is paid. For this purpose, the first such period shall commence with the beginning of the calendar year in which such income is first paid on or after January 1, 1953. Each such form filed with any withholding agent shall be filed not later than 20 days preceding the date of the first payment within each successive period, or, if that is not possible because of special circumstances, as soon as possible after such first payment. Once such a form has been filed in respect of any three-calendar-year period, no additional Form 1001A–B need be filed in respect thereto unless the Commissioner of Internal Revenue notifies the withholding agent that another such form shall be filed by the taxpayer. If, after filing such form, the taxpayer ceases to be eligible for the reduced rate of United States tax granted by Article VIIIA of the convention in respect to such interest, he shall promptly notify the withholding agent by letter in duplicate. When any change occurs in the ownership of the interest as recorded on the books of the payer, the reduction in rate of withholding of United States tax shall no longer apply unless the new owner of record is entitled to and does properly file a Form 1001A–B with the withholding agent.

(7) The duplicate of each Form 1001A–B (and letter) shall be immediately forwarded by the withholding agent to the District Director of Internal Revenue, Audit Division, Alien Returns Section, Baltimore 2, Maryland.

§ 7.1103 *Natural resource royalties and real property rentals.* The convention does not change the rate of United States tax imposed pursuant to sections 211 and 231 of the Internal Revenue Code upon natural resource royalties and real property rentals. The withholding of United States tax with respect to such items derived from sources within the United States by nonresident aliens who are residents of Belgium, or by Belgian corporations or other entities, is not changed by the convention. See sections 143 (b) and 144 of the Internal Revenue Code and Articles VI and IX (1) of the convention.

§ 7.1104 *Patent and copyright royalties and film rentals*—(a) *General.* (1) Royalties derived from sources within the United States in taxable years beginning on or after January 1, 1953, by a nonresident alien (including a nonresident alien individual, fiduciary, and partnership) who is a resident of Belgium, or by a Belgian corporation or other entity, as consideration for the right to use copyrights, patents, secret processes and formulae, trade-marks, and other analogous rights are exempt from United States tax under the pro-

visions of Article IX (2) of the convention if such alien, corporation, or other entity at no time during the taxable year in which such royalties are derived has a permanent establishment within the United States. Such royalties are, therefore, not subject to the withholding of United States tax at source. As to what constitutes a permanent establishment, see Article II (1) (f) of the convention.

(2) The term "royalties" as used in this section shall be deemed to include rentals in respect of motion picture films.

(b) *Application of exemption from withholding.* (1) To avoid withholding of United States tax at source in the case of the royalties to which paragraph (a) of this section is applicable, the nonresident alien who is a resident of Belgium, or the Belgian corporation or other entity, shall file Form 1001A–B in duplicate with the withholding agent in the United States. The provisions of § 7.1102 (b) relating to the execution, filing, and effective period of such form with respect to interest are equally applicable with respect to the income falling within the scope of this section.

(2) The duplicate of each Form 1001A–B (and letter) shall be immediately forwarded by the withholding agent to the District Director of Internal Revenue, Audit Division, Alien Returns Section, Baltimore 2, Maryland.

§ 7.1105 *Private pensions and annuities*—(a) *General.* Private pensions and annuities, as defined in Article X (3) and (4) of the convention, derived from sources within the United States in taxable years beginning on or after January 1, 1953, and paid to a nonresident alien individual who is a resident of Belgium are exempt from United States tax under the provisions of Article X (2) of the convention. Such items of income are, therefore, not subject to the withholding of United States tax at source.

(b) *Application of exemption from withholding.* (1) To avoid withholding of United States tax at source in the case of the items of income to which paragraph (a) of this section is applicable, the nonresident alien individual who is a resident of Belgium shall notify the withholding agent by letter in duplicate that such income is exempt from United States tax under the provisions of Article X of the convention. The letter of notification shall be signed by the owner of the income, shall show the name and address of both the payer and the owner of the income, and shall contain a statement that the owner, an individual, is neither a citizen nor a resident of the United States but is a resident of Belgium. If such letter is also to be used as authorization for the release, pursuant to § 7.1106, of excess tax withheld from such items of income, it shall also contain a statement that the owner was, at the time when the income was derived from which the excess tax was withheld, neither a citizen nor a resident of the United States but was a resident of Belgium.

(2) This letter shall constitute authorization for the payment of such items of income without withholding of United States tax at source unless the Commissioner of Internal Revenue subsequently notifies the withholding agent that the tax shall be withheld with respect to payments of such items of income made after receipt of such notice. If, after filing a letter of notification, the owner of the income ceases to be eligible for the exemption from United States tax granted by the convention in respect to such income, he shall promptly notify the withholding agent by letter in duplicate. When any change occurs in the ownership of such income as recorded on the books of the payer, the exemption from withholding of United States tax shall no longer apply unless the new owner of record is entitled to and does properly file a letter of notification with the withholding agent.

(3) Each letter of notification, or the duplicate thereof, shall be immediately forwarded by the withholding agent to the District Director of Internal Revenue, Audit Division, Alien Returns Section, Baltimore 2, Maryland.

(c) *Definition of pensions and annuities.* (1) Under Article X (3) of the convention, the term "pensions" as used in Article X, means periodic payments made in consideration for services rendered or by way of compensation for injuries received.

(2) Under Article X (4) of the convention, the term "annuities" as used in Article X, means a stated sum payable periodically at stated times under an obligation to make the payments in consideration of money paid.

§ 7.1106 *Release of excess tax withheld at source.* (a) In order to give the convention effective application at the earliest practicable date, the exemptions from, and reductions in the rate of, withholding of United States tax at source granted by this subpart are hereby made effective beginning January 1, 1953, contingent upon compliance with the applicable provisions of § 7.1101 through § 7.1105.

(b) In the case of dividends derived from sources within the United States and paid to a nonresident alien (including a nonresident alien individual, fiduciary, and partnership) or to a foreign corporation, whose address at the time of payment was in Belgium, if United States tax at the statutory rate (30 percent as of the date of approval of this subpart) has been withheld from such dividends on or after January 1, 1953, there shall be released by the withholding agent and paid over to the person from whom it was withheld an amount which is equal to the amount obtained by subtracting 15 percent of such dividends from the tax so withheld.

(c) In the case of every taxpayer whose address at the time of payment was in Belgium and who furnishes to the withholding agent Form 1001A–B in accordance with §§ 7.1102 (b) and 7.1104 (b) if United States tax at the statutory rate (30 percent as of the date of approval of this subpart) has been withheld on or after January 1, 1953, from the items of income in respect of which such form is prescribed in such sections, there shall be released by the withholding agent and paid over to the person from whom it was withheld—

(1) In the case of interest (other than coupon bond interest), an amount which is equal to the amount obtained by subtracting 15 percent of such interest from the tax so withheld from such interest; and

(2) In the case of patent royalties, copyright royalties, film rentals, and the like, an amount equal to the tax so withheld from such items.

(d) In the case of every taxpayer whose address at the time of payment was in Belgium and who furnishes to the withholding agent Form 1001–B clearly marked "Substitute" and executed in accordance with § 7.1102 (b) if United States tax at the statutory rate (23 percent or 30 percent, as the case may be, as of the date of approval of this subpart) has been withheld from coupon bond interest on or after January 1, 1953, there shall be released by the withholding agent and paid over to the person from whom it was withheld an amount which is equal to the difference between the amount of such interest multiplied by the higher of such statutory rates (30 percent as of the date of approval of this subpart) and 15 percent of such interest. One such substitute form shall be filed in duplicate with respect to each issue of bonds and will serve with respect to that issue to replace all Forms 1001 previously filed by the taxpayer in the calendar year in which the excess tax was withheld and with respect to which such excess is released.

(e) The original and duplicate of such substitute Form 1001–B shall be forwarded by the withholding agent to the District Director of Internal Revenue, Audit Division, Alien Returns Section, Baltimore 2, Maryland, with the quarterly return on Form 1012. See § 39.143–7 of this chapter. Such substitute Form 1001–B shall be listed on Form 1012.

(f) In the case of every taxpayer whose address at the time of payment was in Belgium and who furnishes to the withholding agent the letter of notification prescribed in § 7.1105 (b) as authorization for the release of excess tax withheld, if United States tax at the statutory rate (30 percent as of the date of approval of this subpart) has been withheld on or after January 1, 1953, from private pensions and annuities as defined in Article X, there shall be released by the withholding agent and paid over to the person from whom it was withheld an amount equal to the tax so withheld from such items.

(g) The provisions of this section shall have no application to excess tax withheld at source which has been paid by the withholding agent to the district director of internal revenue pursuant to § 39.143–7 of this chapter.

§ 7.1107 *Addressee not actual owner*—(a) *General.* (1) If the recipient in Belgium of any dividend from sources within the United States, with respect to which United States tax at the reduced rate of 15 percent has been withheld at source pursuant to § 7.1101 (c) is a nominee or representative through whom such dividend flows to a person other than one described in § 7.1101 (a), as being entitled to such reduced rate,

such recipient in Belgium shall withhold an additional amount of United States tax equivalent to the United States tax which would have been withheld if the convention had not been in effect (30 percent of such dividend as of the date of approval of this subpart) minus the 15 percent which has been withheld at the source.

(2) In any case in which a fiduciary or partnership with an address in Belgium receives, otherwise than as a nominee or representative, a dividend from sources within the United States with respect to which United States tax at the reduced rate of 15 percent has been withheld at source pursuant to § 7.1101 (c) if a beneficiary of such fiduciary or a partner in such partnership is not entitled to the reduced rate of United States tax granted by Article VIII (1) of the convention, the fiduciary or partnership shall withhold an additional amount of United States tax with respect to the portion of such dividend included in such beneficiary's share of the distributed or distributable income, or in such partner's distributive share of the income, of such fiduciary or partnership, as the case may be. The amount of the additional tax is to be calculated in the same manner as under the immediately preceding paragraph of this section.

(3) If any amount of United States tax is released pursuant to § 7.1106 by the withholding agent in the United States with respect to a dividend paid to such a person (nominee, representative, fiduciary, or partnership) with an address in Belgium, the latter shall also withhold from such released amount any additional amount of United States tax, otherwise required to be withheld by the preceding provisions of this section in respect of such dividend, in the same manner as if at the time of payment of such dividend United States tax at the rate of only 15 percent had been withheld at source therefrom.

(b) *Returns filed by Belgium withholding agents.* The amounts withheld pursuant to paragraph (a) of this section by any withholding agent in Belgium shall be deposited, without converting such amounts into United States dollars, with the Belgium Directeur General de l'Administration des Contributions Directes on or before the 15th day after the close of the quarter of the calendar year in which such withholding in Belgium occurs. The withholding agent making such deposit shall render therewith such appropriate Belgium form as may be prescribed by the Directeur General de l'Administration des Contributions Directes. The amounts so deposited should be remitted by the Directeur General by draft in United States dollars to the District Director of Internal Revenue, Baltimore 2, Maryland, U. S. A., on or before the end of the calendar month in which the deposit is made, and should be accompanied by such Belgian form as may be required to be rendered by the withholding agent in Belgium in connection with such deposit.

§ 7.1108 *Information to be furnished in ordinary course*—(a) *General.* In compliance with the provisions of Article XV of the convention the Commissioner of Internal Revenue will transmit to the Belgian Directeur General de l'Administration des Contributions Directes, as soon as practicable after the close of the calendar year 1953 and of each subsequent calendar year during which the convention is in effect, the following information relating to such preceding calendar year:

(1) The duplicate copy of each available Form 1042 Supplement filed pursuant to paragraph (b) of this section; and

(2) The duplicate copy of each available ownership certificate, Form 1001–B, filed pursuant to § 7.1102 (b) and substitute Form 1001–B, filed pursuant to § 7.1106, in connection with coupon bond interest.

(b) *Information return.* (1) To facilitate compliance with Article XV of the convention, every United States withholding agent shall make and file in duplicate with the district director of internal revenue for the district in which the withholding agent is located an information return on Form 1042 Supplement, with respect to Belgian addressees, which shall be filed for the calendar year 1953 and subsequent calendar years. This return shall be filed simultaneously with the Form 1042 required by § 39.143–7 of this chapter.

(2) There shall be reported on such Form 1042 Supplement all items of fixed or determinable annual or periodical income derived from sources within the United States and paid to nonresident aliens (including nonresident alien individuals, fiduciaries, and partnerships) and to nonresident foreign corporations, whose addresses at the time of payment were in Belgium, including such items of income upon which, in accordance with this Treasury decision, no withholding of United States tax is required; except that any of such items which constitute interest in respect of which Form 1001–B or substitute Form 1001–B has been filed in duplicate with the withholding agent are not required to be reported on such Form 1042 Supplement.

§ 7.1109 *Beneficiaries of a domestic estate or trust.* A nonresident alien who is a resident of Belgium and who is a beneficiary of a domestic estate or trust shall be entitled to the exemption from, or reduction in the rate of, United States tax granted by Articles VIII, VIIIA, and IX (2) of the convention with respect to dividends, interest, and copyright royalties and the like, to the extent such item or items are included in his share of the distributed or distributable income of such estate or trust, provided that he otherwise satisfies the requirements of these respective articles. In order to be entitled in such instance to the exemption from, or reduction in the rate of, withholding of United States tax such beneficiary must otherwise satisfy such requirements and shall, where applicable execute and submit to the fiduciary of such estate or trust in the United States the Form 1001A–B prescribed in § 7.1102 (b) and § 7.1104 (b)

Because it is necessary to bring into effect at the earliest practicable date the rules of this Treasury decision respecting release of excess tax withheld, and exemption from, or reduction in the rate of, withholding of tax, it is hereby found that it is impracticable to issue this Treasury decision with notice and public procedure thereon under section 4 (a) of the Administrative Procedure Act, approved June 11, 1946, or subject to the effective date limitation of section 4 (c) of that act.

[SEAL] O. GORDON DELK,
Acting Commissioner of Internal Revenue.

Approved: December 4, 1953.

M. B. FOLSOM,
Acting Secretary of the Treasury.

[F. R. Doc. 53-10289; Filed, Dec. 9, 1953; 8:50 a. m.]

[T. D. 6058; Regs. 111, 118]

PART 29—INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1941

PART 39—INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1951

NONDISTRIBUTABLE INCOME OF PERSONAL HOLDING COMPANIES

On September 5, 1953, there was published in the FEDERAL REGISTER (18 F. R. 5388) a notice of proposed rule making with respect to amendments to conform Regulations 103 and 111 (26 CFR Parts 19, 29) to section 349 of the Revenue Act of 1951, approved October 20, 1951, relating to the exclusion of certain nondistributable income in determining the undistributed subchapter A net income of personal holding companies. No comments regarding the rules proposed having been received during the 30-day period prescribed in such notice, the amendments to such regulations and to Regulations 118 (26 CFR Part 39) set forth below are hereby adopted:

PARAGRAPH 1. There is inserted immediately preceding § 29.504–1 the following:

SEC. 349. NONDISTRIBUTABLE INCOME OF PERSONAL HOLDING COMPANIES (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

Effective for taxable years beginning after December 31, 1939, section 504 is hereby amended by adding at the end thereof the following new subsection:

(e) The amount by which the undistributed subchapter A net income determined without reference to this subsection exceeds the amount which could be distributed on the last day of the taxable year as a dividend (1) without violating any action, regulation, rule, order, or proclamation taken, promulgated, made, or issued by, or pursuant to the direction of, the President or any agency that he may designate, under the Trading With the Enemy Act of October 16, 1917, as amended, or the First War Powers Act of 1941, and (2) not subject to a lien in favor of the United States.

PAR. 2. Section 29.504–1 is amended as follows:

(A) By deleting in the first sentence thereof the word "and" which immediately precedes "(d)"

(B) By striking the period at the end of the first sentence and by inserting in lieu thereof a comma and the following: "and (e) the amount by which the undistributed subchapter A net income (determined without reference to this

provision) exceeds the amount which could be distributed on the last day of the taxable year as a dividend (1) without violating any action, regulation, rule, order, or proclamation taken, promulgated, made, or issued by, or pursuant to the direction of, the President or any agency that he may designate, under the Trading With the Enemy Act, 40 Stat. 411, as amended (50 U. S. C. App. 1 et seq.) or the First War Powers Act, 1941, 55 Stat. 838 (50 U. S. C. App. 601 et seq.) and (2) not subject to a lien in favor of the United States."

PAR. 3. The amendments to Regulations 111 (covering taxable years beginning after December 31, 1941, and before January 1, 1952) made by Paragraphs 1 and 2 of this Treasury decision are hereby made applicable to taxable years beginning after December 31, 1939, and before January 1, 1942 (such years being covered by Regulations 103)

PAR. 4. Section 39.504–1 is amended as follows:

(A) By deleting in the first sentence thereof the word "and" which immediately precedes "(c)"

(B) By striking the period at the end of the first sentence and by inserting in lieu thereof a comma and the following: "and (d) the amount by which the undistributed subchapter A net income (determined without reference to this provision) exceeds the amount which could be distributed on the last day of the taxable year as a dividend (1) without violating any action, regulation, rule, order, or proclamation taken, promulgated, made, or issued by, or pursuant to the direction of, the President or any agency that he may designate, under the Trading with the Enemy Act, 40 Stat. 411, as amended (50 U. S. C. App. 1 et seq.) or the First War Powers Act, 1941, 55 Stat. 838 (50 U. S. C. App. 601 et seq.) and (2) not subject to a lien in favor of the United States."

(53 Stat. 32, 467; 26 U. S. C. 62, 3791)

[SEAL] T. COLEMAN ANDREWS,
Commissioner of Internal Revenue.

Approved: December 4, 1953.

M. B. FOLSOM,
Acting Secretary of the Treasury.

[F. R. Doc. 53–10291; Filed, Dec. 9, 1953; 8:50 a. m.]

Subchapter C—Miscellaneous Excise Taxes

[T. D. 6057; Regs. 42, 43, 113]

PART 101—TAXES ON ADMISSIONS, DUES, AND INITIATION FEES

PART 130—TAXES ON SAFE DEPOSIT BOXES AND ON CERTAIN TRANSPORTATION AND COMMUNICATION SERVICES

PART 143—TAX WITH RESPECT TO THE TRANSPORTATION OF PROPERTY

DELETION OF INSTRUCTION WITH RESPECT TO SUBMISSION OF CERTAIN INFORMATION BY DISTRICT DIRECTORS

Regulations 42 (1942 Edition) (26 CFR Part 130) Regulations 43 (1941 Edition) (26 CFR Part 101), and Regulations 113 (1943 Edition) (26 CFR Part 143) are amended as follows:

PARAGRAPH 1. Section 130.75 of Regulations 42 is amended by striking out the second sentence thereof.

(53 Stat. 206, 423, as amended, 467; 26 U. S. C. 1855, 3472, 3791)

PAR. 2. Section 101.37 of Regulations 43, as amended by Treasury Decision 5349, approved March 17, 1944, is further amended by striking out the last sentence of paragraph (d) thereof.

(53 Stat. 467; 26 U. S. C. 3791)

PAR. 3. Section 143.55 of Regulations 113 is amended by striking out the second sentence thereof.

(53 Stat. 423, as amended, 467; 26 U. S. C. 3472, 3791. Interprets or applies 53 Stat. 206; 26 U. S. C. 1855)

Because this Treasury decision merely removes from Regulations 42, Regulations 43, and Regulations 113 an instruction with respect to the submission of information by district directors of internal revenue to the Commissioner, it is hereby found that it is unnecessary to issue this Treasury decision with notice and public procedure thereon under section 4 (a) of the Administrative Procedure Act, approved June 11, 1946, or subject to the effective date limitation of section 4 (c) of said act.

This Treasury decision shall be effective upon its filing for publication in the FEDERAL REGISTER.

[SEAL] T. COLEMAN ANDREWS,
Commissioner of Internal Revenue.

Approved: December 4, 1953.

M. B. FOLSOM,
Acting Secretary of the Treasury.

[F. R. Doc. 53–10290; Filed, Dec. 9, 1953; 8:50 a. m.]

TITLE 33—NAVIGATION AND NAVIGABLE WATERS

Chapter II—Corps of Engineers, Department of the Army

PART 203—BRIDGE REGULATIONS

BISCAYNE BAY, FLORIDA

Pursuant to the provisions of section 5 of the River and Harbor Act of August 18, 1894 (28 Stat. 362; 33 U. S. C. 499), special regulations governing the operations of the east and west drawspans in the bridges commonly designated as the Venetian Causeway across Biscayne at N. E. 15th Street, and MacArthur Causeway across Biscayne Bay at N. E. 13th Street, Miami, Florida, are hereby amended to read as follows:

§ 203.447 *Biscayne Bay, Fla., State Road Department of Florida highway bridge (MacArthur or 13th Street Causeway) and Dade County Port Authority highway bridge (Venetian or 15th Street Causeway) Miami, Fla.* (a) During the period from November 1 to April 30, both dates inclusive, the owners of or agencies controlling these bridges shall not be required to open the east and west drawspans of the MacArthur Causeway and the west drawspan of Venetian Causeway between 7:00 a. m. and 9:00 a. m. or between 4:30 p. m. and 6:30 p. m., except that all three drawspans shall be opened on the half hour and even hour for sufficient time to pass any vessels awaiting passage.

(b) During the period from November 1 to April 30, both dates inclusive, the owner of or agency controlling Venetian Causeway shall not be required to open the east drawspan between 7:15 a. m. and 8:45 a. m. or between 4:45 p. m. and 6:15 p. m., except that the drawspan shall be opened at 7:45 a. m. and 8:15 a. m., 5:15 p. m. and 5:45 p. m. for sufficient time to pass any vessels awaiting passage.

(c) Any of the drawspans shall be opened at any time when required by a tow, or in an emergency. An emergency shall be indicated by four blasts of the signalling device.

(d) Officers of the Police Departments of Miami and Miami Beach shall be stationed at the respective draws and at the ends of the causeways during the above hours to regulate traffic in conjunction with the bridge tenders.

(e) Boat owners shall cooperate insofar as possible to facilitate the operation of the draws of the bridges.

(f) Signs indicating the nature of the regulations will be placed by the State Road Department and the Dade County Port Authority where and as directed by the District Engineer, Corps of Engineers, in charge of the locality.

[Regs., November 12, 1953, 823.01 (Biscayne Bay, Florida)–ENGWO] (23 Stat. 362; 33 U. S. C. 499)

[SEAL] WM. E. BERGIN,
Major General, U. S. Army,
The Adjutant General.

[F. R. Doc. 53–10285; Filed, Dec. 9, 1953; 8:50 a. m.]

PART 207—NAVIGATION REGULATIONS

BERING STRAIT, ALASKA

Pursuant to the provisions of section 7 of the River and Harbor Act of August 8, 1917 (40 Stat. 266; 33 U. S. C. 1) and Chapter XIX of the Army Appropriations Act of July 9, 1918 (40 Stat. 892; 33 U. S. C. 3) § 207.804 is hereby prescribed establishing and governing the use and navigation of a restricted area in Bering Strait off Cape Prince of Wales, Alaska, and §§ 207.129 and 207.141 are hereby revoked as follows:

§ 207.804 *Bering Strait, Alaska; naval restricted area off Cape Prince of Wales*—(a) *The area.* An area 2,000 feet wide extending from a point on Cape Prince of Wales marked by a triangular cable marker located approximately midway between the village of Wales and Cape Prince of Wales Light to a point four statute miles due west of the cable marker with the axis of the area passing through the two points.

(b) *The regulations.* (1) No vessel shall anchor in the restricted area described in paragraph (a) of this section.

(2) Dragging of anchors in or across the restricted area is prohibited and no object attached to a vessel shall be placed on or near the bottom.

(3) The regulations in this section shall be enforced by the Commandant, Seventeenth Naval District, Seattle, Washington, and such agencies as he may designate.

§ 207.129 *York River Virginia; U. S. Navy anti-torpedo net areas.* [Revoked.]

§ 207.141 *Chesapeake Bay, Hampton Roads; U. S. Navy anti-torpedo net areas.* [Revoked.]

[Regs., November 17, 1953, 800.212 (Bering Strait, Alaska)-ENGWO and 800.2121 (Chesapeake Bay)-ENGWO] (40 Stat. 266, 892; U. S. C. 1, 3)

[SEAL] WM. E. BERGIN,
Major General, U. S. Army,
The Adjutant General.

[F. R. Doc. 53-10287; Filed, Dec. 9, 1953; 8:50 a. m.]

PART 209—ADMINISTRATIVE PROCEDURE

PIERS, DREDGING, ETC., IN WATERWAYS

A new subparagraph (6) is added to § 209.130 (a) as follows:

§ 209.130 *Piers, dredging, etc., in waterways*—(a) *Laws relating to permits.* * * *

(6) For minor structures and work in unimproved waterways or in improved waterways where such structures and work are well removed from the fairways used by navigation, authorization may be by a letter of permission. No drawings will be required to be submitted, nor will any public notice be issued in such cases. This procedure may be utilized when, in the opinion of the District Engineer concerned, there could be no opposition from the standpoint of navigation and authorization would unquestionably be given. If State law or local ordnance requires approval of the structures or work, a copy of such approval will be submitted with the application. Aerial crossings and submarine cables and other underwater crossings will not be regarded as minor structures or work.

* * * * *

[Regs., Nov. 27, 1953, ENGWO] (R. S. 161; 5 U. S. C. 22)

[SEAL] WM. E. BERGIN,
Major General, U. S. Army,
The Adjutant General.

[F. R. Doc. 53-10286; Filed, Dec. 9, 1953; 8:50 a. m.]

TITLE 38—PENSIONS, BONUSES, AND VETERANS' RELIEF

Chapter I—Veterans' Administration

PART 21—VOCATIONAL REHABILITATION AND EDUCATION

SUBPART A—EDUCATIONAL BENEFITS

SUBPART C—TRAINING FACILITIES

MISCELLANEOUS AMENDMENTS

1. In Subpart A, paragraph (b) (3) (ix) of § 21.53 is amended to read as follows:

§ 21.53 *Extension of entitlement.* * * *

(b) *School, college, or university courses.* * * *

(3) * * *

(ix) In all excess cost courses where the dollar value of remaining entitlement including any statutory extension is not sufficient to cover the term, semester, or period of enrollment, the converted value of the veteran's remaining entitlement, having been determined by the educational benefits representative and reported on VA Form 7-1907c or VA Form 7-1907c-1, will not be exceeded by the finance activity, and this amount may be paid regardless of the time in the course when charges for tuition, fees, supplies, etc., fall due; the time limit determined for subsistence payment shall not preclude the payment of the total amount of charges for tuition, etc., as authorized in this section in an extension of entitlement.

* * * * * *

2. In § 21.54, paragraphs (a) and (b) are amended to read as follows:

§ 21.54 *Election of benefit.* (a) Any person who has eligibility for education or training under Part VIII, Veterans Regulation 1 (a) as amended (38 U. S. C. ch. 12) and who also has eligibility for vocational rehabilitation training under Part VII, as amended, may elect either benefit or may be provided an approved combination of courses: *Provided,* That the total period of any such combination of courses shall not exceed the maximum period or limitations under either Part VII or Part VIII, as amended, whichever affords the greater period of eligibility. An approved combination of courses under these laws may not be construed to mean concurrent pursuit under both laws. This provision of the law offers the veteran the right to elect whether he will take training under either Part VII or Part VIII, as amended, and further specifies that the Veterans' Administration may provide him with a combination of courses involving training under one act supplemented with training under the other. However, it is wholly within the discretion of the Veterans' Administration whether any combination of courses is to be provided in any case for the veteran.

(b) For the purposes of election between Parts VII and VIII, a presumption of eligibility under Part VII will attach (if need has not been officially determined to exist or not to exist) when there is of record, an official finding by duly constituted claims authority that the veteran has a service-connected compensable disability incurred in or aggravated by service in the Armed Forces of the United States in World War II or on or after June 27, 1950, and prior to such date as shall thereafter be determined by Presidential proclamation or concurrent resolution of Congress. This presumption may be rebutted in any case only through filing by the veteran of VA Form 7-1900 and a subsequent determination that need for training does not exist.

* * * * *

3. In § 21.625 of Subpart C, paragraph (d) is amended, paragraph (f) is deleted, and former paragraphs (g) (h) (i) and (j) are redesignated paragraphs (f), (g), (h) and (i) so that the amended and redesignated material reads as follows:

§ 21.625 *Contract negotiations for correspondence courses.* * * *

(d) *Negotiation of contracts.* All contracts and supplements to existing contracts for correspondence courses shall be negotiated by central office and decentralized to regional offices. Where possible, contracts for correspondence courses will be negotiated for use under both Public Laws 16 and 346. In some instances, a separate contract may be negotiated separately for Public Law 16 and Public Law 346 enrollments. In the event that a contract is limited in scope, indication will be given either in the body or on the face thereof by a stamp impression or otherwise. Contracts negotiated for correspondence courses are usually approved for use in all States. Occasionally, however, contracts are negotiated by central office for correspondence courses of limited application as to program or region.

* * * * *

(f) *Information concerning correspondence courses.* Information concerning the subject matter of courses and academic credit for such courses of institutions which are members of the National University Extension Association can be obtained from the Guide to Correspondence Study, a publication of that association. Copies of such publication have been furnished each regional office. Specific questions as to the content of courses covered in the above publication and courses included in Veterans Administration contracts may be directed to the institutions offering the courses. The Home Study Blue Book and Directory of Private Home Study Schools and Courses, published by the National Home Study Council, Washington, D. C., also furnishes information as to courses offered by member institutions of such council.

(g) *Request for correspondence course for which no contract exists.* When a correspondence course is desired for which no contract has been decentralized to the regional offices, request for a contract for the desired course may be made to central office by the school or the regional office.

(h) *Courses not included in contract.* Before any correspondence course offered by an institution with which a contract has been negotiated but which course is not included in the contract may be made available to eligible veterans, an amendment by a supplement to the original contract including such courses must be negotiated by central office.

(i) *Changes in courses.* Changes in courses made by the institution with which a contract has been negotiated during the life of the contract will become effective and a part of the contract only upon negotiation of a supplement to the existing contract. Minor changes in courses or course material not affecting the length of the course of number of lessons and not lowering the educa-

tional value of the courses or the quality of the course materials, such as revision of text, the substitution of a newer lesson for an older one, or the substitution of equipment of equal or greater value, are permitted without notice. Such minor changes and revisions shall be placed on file with the Director, Training Facilities Service For Vocational Rehabilitation and Education, Central Office, Veterans' Administration, Washington 25, D. C., at the time of the change or revision, in all cases in which the original course material was submitted to the Veterans' Administration for review.

4. In § 21.669, paragraph (b) is deleted.

§ 21.669 *Certification by institution.*

* * *

(b) [Deleted.]

5. Section 21.669a *Compliance with ceiling price regulations* is revoked.

(Sec. 2, 46 Stat. 1016, sec. 7, 48 Stat. 9, sec. 2, 57 Stat. 43, as amended, sec. 400, 58 Stat. 287, as amended; 38 U. S. C. 11a, 701, 707, ch. 12 note. Interpret or apply secs. 3, 4, 57 Stat. 43, as amended, secs. 300, 1500–1504, 1506, 1507, 58 Stat. 286, 300, as amended; 38 U. S. C. 693g, 697–697d, 697f, g, ch. 12 note)

This regulation is effective December 10, 1953.

[SEAL] H. V. STIRLING,
Deputy Administrator.

[F. R. Doc. 53-10299; Filed, Dec. 9, 1953; 8:52 a. m.]

TITLE 50—WILDLIFE

Chapter I—Fish and Wildlife Service, Department of the Interior

Subchapter B—Hunting and Possession of Wildlife

PART 6—MIGRATORY BIRDS AND CERTAIN GAME MAMMALS

COMPENSATORY EXTENSION OF CERTAIN MIGRATORY GAME BIRD SEASON

Basis and purpose. A request has been received from the State of Tennessee for an extension of the mourning dove season by the number of days sportsmen were not permitted to hunt such birds due to emergency State action closing extensive areas to shooting as a forest fire prevention measure. It has been determined that the slight compensatory extension sought is not likely to result in a diminution of the birds to any greater extent than was contemplated for the original period.

Accordingly, pursuant to authority conferred upon me by § 6.4 of the Migratory Bird Treaty Act Regulations (16 F. R. 7513), the seasons fixed by the amendments to such regulations approved August 21 and October 28, 1953 (18 F. R. 5175 and 18 F. R. 6971) are, subject to shooting hours and other applicable provisions of the current Federal regulations, extended as follows:

In that part of Tennessee lying east of Kentucky Lake, mourning doves from December 8 to December 12, both dates inclusive, an extension of five days.

Since these amendments are relaxations of existing regulations, notice and public procedure thereon are not required (60 Stat. 237; 5 U. S. C. 1001 et seq.), and they shall become effective immediately.

(Sec. 3, 40 Stat. 755, as amended; 16 U. S. C. 704)

Dated: December 4, 1953.

JOHN L. FARLEY,
Director,
Fish and Wildlife Service.

[F. R. Doc. 53-10269; Filed, Dec. 9, 1953; 8:45 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF THE TREASURY

Internal Revenue Service

[26 CFR Part 192]

FERMENTED MALT LIQUORS

PROPOSED AMENDMENT OF REQUIREMENTS FOR FILLING CASES AND PREPARING CERTAIN FORMS

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set forth in tentative form below are proposed to be prescribed by the Commissioner of Internal Revenue with the approval of the Secretary of Treasury. Prior to the final adoption of such regulations, consideration will be given to any data, views, or arguments pertaining thereto which are submitted, in writing, in duplicate, to the Commissioner of Internal Revenue, Washington 25, D. C., within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in section 161 of the Revised Statutes and sections 3176 and 3791 of the Internal Revenue Code (Sec. 161 R. S., 5 U. S. C. 22; 53 Stat. 375, 467; 26 U. S. C. 3176, 3791.)

[SEAL] T. COLEMAN ANDREWS,
Commissioner of Internal Revenue.

In order to provide for more accurate determination of a brewer's tax liability by eliminating the present provisions for packaging an indiscriminate mixture of seven and eight ounce bottles or eleven and twelve ounce bottles of beer in one case, and to require that the daily statement of fermented malt liquor bottled be reported in Form 103 in lieu of Form 139, Regulations 18 (26 CFR Part 192), are hereby amended as follows:

PARAGRAPH 1. Wherever the term "supervisor" or "district supervisor" appears in the sections of the regulations revised by this Treasury decision, such term is hereby amended to read "Assistant Regional Commissioner."

PAR. 2. Section 192.281 is amended by changing the colon in the first sentence to a period and striking the proviso which begins *"Provided,* That due to conditions"

PAR. 3. Section 192.440 is amended as follows:

(A) By inserting in the first sentence, immediately after the words "removed from the brewery premises," the phrase "the quantity of fermented liquor bottled,"

(B) By striking the fifth sentence, which begins "The aggregates of quantities bottled"

PAR. 4. Section 192.441 is amended as follows:

(A) By striking from the second sentence the words "bottled and the aggregate quantity"

(B) By striking from the last sentence the words "bottled and entries as to quantities"

These amendments shall become effective on the first day of the first month which begins not less than thirty days following the date of publication in the FEDERAL REGISTER.

[F. R. Doc. 53-10292; Filed, Dec. 9, 1953; 8:51 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[17 CFR Parts 240, 249]

WHEN ISSUED TRADING RULES

NOTICE OF PROPOSED RULE MAKING

Notice is hereby given that the Securities and Exchange Commission has under consideration the above-mentioned proposals for revision of its when issued trading rules, pursuant to the provisions of section 3 (a) (12) 12 and 23 (a) of the Securities Exchange Act of 1934.

The Commission is engaged in a comprehensive review of the rules, regulations, forms and procedures adopted under the various statutes administered by it. It is attempting to eliminate duplication and to simplify its requirements wherever practicable without prejudice to the public interest or the protection of investors. The present proposals are part of this program.

Regulation X-12D3, which consists of §§ 240.12d3-1 through 240.12d3-10 (Rules X-12D3-1—X-12D3-10) provides for the registration for when issued trading on national securities exchanges of unissued short-term warrants, commonly called subscription rights, and for such registration of unissued securities other than short-term warrants. Form 1-J (17 CFR 249.231) is the appropriate form required to be filed for registration of such warrants, and Form 2-J (17 CFR 249.232) is required to be filed for registration of other unissued securities.

For all practical purposes, Regulation X-12D3 and Form 1–J have been obsolete as to warrants since June 22, 1950, when the Commission amended § 240.12a–4 (Rule X-12A–4) to provide that an unissued short-term warrant as well as an issued short-term warrant could be traded on an exchange as an exempted security pursuant to the filing of an exemption statement on Form AN–4 (17 CFR 249.235) by either the issuer or the exchange for both when issued and regular way trading. On December 29, 1952, the Commission further amended Rule X-12A–4 to substitute the filing by the exchange of a notice of intent to trade in lieu of the formal filing of an exemption statement on Form AN–4, and Form AN–4 was then rescinded.

On March 20, 1953, the Commission amended § 240.12a–5 (Rule X-12A–5) so that the conditional temporary exemption from registration provided by that rule for trading issued securities on exchanges would also provide such exemption for trading such securities on a when issued basis before they are issued. Since trading under § 240.12a–5 (Rule X-12A–5) is on the basis of a notice from the exchange, the amendment of March 20, 1953, made unnecessary the filing of formal applications for registration on Form 2–J for when issued trading in unissued securities proposed to be issued in stock splits, stock dividends, mergers, consolidations, reorganization plans, etc., to the holders of securities already traded on exchanges.

The only cases in which Regulation X-12D3 is still believed to serve a substantial practical purpose is where the securities to be traded are the subject of a voluntary subscription or exchange right granted to the holders of a security traded on an exchange. The present proposal contemplates that § 240.12a–5 (Rule X-12A–5) be further amended to cover these cases and generally to simplify its requirements. The provisions of § 240.12a–5 (Rule X-12A–5) which are applicable whether the new security is issued or unissued, should be far less burdensome to issuers and exchanges than the provisions of Regulation X-12D3, and in almost all cases public information concerning the transactions is available either under one of the Acts administered by the Commission or otherwise.

If the proposed amendment to § 240.12a–5 (Rule X-12A–5) is adopted, it is believed that none of the ten rules of Regulation X-12D3 will continue to serve a useful purpose and it is, therefore, proposed to rescind the entire regulation and Form 1–J and 2–J promulgated thereunder.

It is also proposed to rescind §§ 240.12a–6, 240.12a–7, 240.12a–8, and 240.12a–9 (Rules X-12A–6, X-12A–7, X-12A–8 and X-12A–9) The situation to which §§ 240.12a–6 and 240.12a–8 (Rules X-12A–6 and X-12A–8) relate are believed to be covered by § 240.12a–5 (Rule X-12A–5) Sections 240.12a–7 and 240.12a–9 (Rules X-12A–7 and X-12A–9) were promulgated in the light of particular circumstances and it is believed are no longer of general usefulness.

The text of the proposed amendments to § 240.12a–5 (Rule X-12A–5) is as follows:

§ 240.12a–5 *Temporary exemption of substituted or additional securities.* (a) (1) Whenever by operation of law or otherwise the holders of a security admitted to trading on a national securities exchange (hereinafter called the "original" security) have the right to subscribe to or otherwise acquire all or any part of a class of another security in substitution for or in addition to the original security, the entire class outstanding of such other security shall be exempted from the operation of section 12 (a) to the extent necessary to render lawful the effecting of transactions therein on any national securities exchange on which the original security is admitted to trading: *Provided,* That a registration statement is in effect under the Securities Act of 1933 as to such other security, to the extent required, or the terms of any applicable exemption from registration under such act have been complied with, if required.

(2) An unissued security shall be exempt from the operation of section 12 (a) of the act to the extent necessary to render lawful when issued trading in such security on a national securities exchange, provided (i) transactions in the security on such exchange would upon the issuance of the security be exempt under this rule from the operation of said section, (ii) a registration statement is in effect under the Securities Act of 1933 as to such unissued security, to the extent required, or the terms of any applicable exemption from registration under such act have been complied with, if required, (iii) the approval of stockholders of the issuance of such security has been obtained, if required, and (iv) all other necessary official action, other than the filing or recording of charter amendments or other documents with the appropriate State authorities, has been taken to authorize and assure the issuance of such security.

* * * * *

(d) The exchange shall notify the Commission in writing of any event within the purview of paragraph (a) of this section promptly after acquiring knowledge thereof. The notification shall briefly describe the event, shall state the date on which the substituted or additional security was or is proposed to be admitted to trading on the exchange as a security exempted from the operation of section 12 (a) by this section, and shall, unless a registration statement has been filed under the Securities Act of 1933 or an application has been filed under the Securities Exchange Act of 1934 with respect to such security, briefly describe the plan of issuance of such security. The exchange shall promptly notify the Commission of any material change in the foregoing.

All interested persons are invited to submit data, views and comments on these proposals in writing to the Secretary, Securities and Exchange Commission, at its principal office, 425 Second Street NW., Washington 25, D. C., on or before December 24, 1953.

By the Commission.

[SEAL] NELLYE A. THORSEN,
Assistant Secretary.

DECEMBER 2, 1953.

[F. R. Doc. 53–10280; Filed, Dec. 9, 1953; 8:48 a. m.]

[17 CFR Part 240]

PROXY RULES

PUBLIC HEARING ON PROPOSED AMENDMENTS

On October 9, 1953, the Commission announced in Securities Exchange Act Release No. 4950, that it had under consideration proposed amendments to its proxy rules under the Securities Exchange Act of 1934, and invited all interested persons to submit views and comments in writing with respect to the proposals. Having considered the comments received, the Commission has decided that the public interest warrants a hearing on the proposed changes in the proxy rules.

Accordingly, notice is hereby given that a public hearing will be held in Room 102 at its offices, 425 Second Street NW., Washington 25, D. C., on Wednesday, December 16, 1953, at 9:30 a. m.

Any person interested in presenting his views on the proposed amendments to the proxy rules at this public hearing should, not later than December 14, 1953, at 5:30 p. m., submit to the Commission in writing a statement of his intention to appear at the hearing, and of the matters upon which he desires to be heard. In view of the fact that only the one day, December 16, 1953, is available for this hearing, it is urged that interested persons file written statements of their views in advance of the hearing date and limit their requests for time to make oral presentations to not more than 15 minutes, if possible, so as to provide an opportunity for all interested persons to be heard.

Communications or requests with respect to the hearing should be addressed: Secretary, Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C.

By the Commission.

[SEAL] NELLYE A. THORSEN,
Assistant Secretary.

DECEMBER 4, 1953.

[F. R. Doc. 53–10281; Filed, Dec. 9, 1953; 8:48 a. m.]

[17 CFR Parts 240, 249]

REGISTRATION OF CLASSES OF SECURITIES

NOTICE OF PROPOSED RULE MAKING

Notice is hereby given that the Securities and Exchange Commission has under consideration the above-mentioned proposals, pursuant to the pro-

visions of sections 12 and 23 (a) of the Securities Exchange Act of 1934.

The Commission is engaged in a comprehensive review of the rules, regulations, forms and procedures adopted under the various statutes administered by it. It is attempting to eliminate duplication and to simplify its requirements wherever practicable without prejudice to the public interest or the protection of investors. As a part of this program, the Commission is circulating for comment certain simplifications and revisions of its when issued trading rules.

The Commission is also considering a revision of its registration practice under section 12 of the act. Under the existing practice, registration is effective only as to a specified number of shares or a specified amount of a class of security so that if additional shares or amounts of the same class are subsequently issued, a new application on Form 8–A (17 CFR 249.208a) must be filed for registration of the additional amounts. Under the present proposal the original application for registration would be deemed to apply for registration of the entire class, and the registration of unissued shares or amounts would become automatically effective when they are issued, without further application, certification or order. This proposal would make unnecessary a large majority of the applications previously filed on Form 8–A since most such applications are for registration of additional blocks of a class of security already registered in part. In view of the reporting requirements of Forms 8–K and 10–K (17 CFR 249.308 and 249.310) it is not believed that the filing of such applications is necessary in the interest of investors. Under the proposed procedure, applications on Form 8–A would have to be filed only in the event that a new class or series is to be registered. The time and expense saved by registrants, exchanges and the Commission itself should be considerable.

The new procedure, if adopted, will, of course, not affect the continuing right of exchanges to require certain filings with them prior to actual listing or issuance of specified blocks of the registered class or prior to modification thereof.

If the above proposal is adopted, it is also proposed (1) to amend the provisions of Regulation X-12D1 which govern exchange certifications so as to eliminate requirements which will be unnecessary under the new procedure and (2) to rescind paragraph (b) of § 240.12d2–2 (Rule X-12D2–2) for the same reason.

It is further proposed to amend Form 8–A. A copy of the proposed amended form is attached.[1] It will be noted that the revision considerably simplifies the old form. This has been made possible principally by the deletion of certain requirements which are considered to be unnecessarily burdensome and detailed in view of the current and annual reporting requirements of the registrant and in view of the class registration technique.

The text of the proposed amended Regulation X-12D1 is as follows:

[1] Filed as part of the original document.

EFFECTIVENESS OF REGISTRATION; EXCHANGE CERTIFICATION

§ 240.12d1–1 *Registration effective as to class or series.* (a) An application filed pursuant to section 12 (b) and (c) of the act for registration of a security on a national securities exchange shall be deemed to apply for registration of the entire class or series of such security. Registration shall become effective, as provided in section 12 (d) of the act, (1) as to the shares or amounts of such class or series then issued, and (2) without further application for registration, upon issuance as to additional shares or amounts of such class or series then or thereafter authorized.

(b) This section shall apply to classes and series of securities of which a specified number of shares or amounts was registered or registered upon notice of issuance, and to applications for registration filed, prior to the close of business on _____, as well as to classes and series registered, or applications filed, thereafter.

(c) This section shall not affect the right of a national securities exchange to require the issuer of a registered security to file documents with or pay fees to the exchange in connection with the modification of such security or the issuance of additional shares or amounts.

§ 240.12d1–2 *Acceleration of effectiveness of registration.* A request for acceleration of the effective date of registration pursuant to section 12 (d) of the act and § 240.12d1–1 shall be made in writing by either the registrant, the exchange, or both and shall briefly describe the reasons therefor.

§ 240.12d1–3 *Requirements as to certification.* (a) Certification that a security has been approved by an exchange for listing and registration pursuant to section 12 (d) of the act and § 240.12d1–1 shall be made by the governing committee or other corresponding authority of the exchange.

(b) The certification shall specify (1) the approval of the exchange for listing and registration; (2) the title of the security so approved; (3) the date of filing with the exchange of the application for registration and of any amendments thereto; and (4) any conditions imposed on such certification. The exchange shall promptly notify the Commission of the partial or complete satisfaction of any such conditions.

(c) The certification may be made by telegram but in such case shall be confirmed in writing. All certifications in writing and all amendments thereto shall be filed with the Commission in duplicate and at least one copy shall be manually signed by the appropriate exchange authority.

§ 240.12d1–4 *Date of receipt of certification by Commission.* The date of receipt by the Commission of the certification approving a security for listing and registration shall be the date on which the certification is actually received by the Commission or the date on which the application for registration to which the certification relates is actually received by the Commission, whichever date is later.

§ 240.12d1–5 *Operation of certification on subsequent amendments.* If an amendment to the application for registration of a security is filed with the exchange and with the Commission after the receipt by the Commission of the certification of the exchange approving the security for listing and registration, the certification, unless withdrawn, shall be deemed made with reference to the application as amended.

§ 240.12d1–6 *Withdrawal of certification.* An exchange may, by notice to the Commission, withdraw its certification prior to the time that the registration to which it relates first becomes effective pursuant to § 240.12d1–1.

All interested persons are invited to submit data, views and comments on these proposals in writing to the Secretary, Securities and Exchange Commission, at its principal office, 425 Second Street NW., Washington 25, D. C., on or before December 24, 1953.

By the Commission.

[SEAL] NELLYE A. THORSEN, *Assistant Secretary.*

DECEMBER 2, 1953.

[F. R. Doc. 53–10282; Filed, Dec. 9, 1953; 8:49 a. m.]

DEPARTMENT OF AGRICULTURE

Production and Marketing Administration

[7 CFR Part 52]

U. S. STANDARDS FOR GRADES OF CUCUMBER PICKLES

EXTENSION OF TIME FOR FILING DATA, VIEWS, AND ARGUMENTS

Proposed United States Standards for Grades of Cucumber Pickles were set forth in the notice which was published in the FEDERAL REGISTER of October 15, 1953 (18 F. R. 6566)

In consideration of comments and suggestions received indicating the need for further study of the proposed standards, notice is hereby given of an extension until January 15, 1954, of the period of time within which written data, views, and arguments may be submitted by interested parties for consideration in connection with the aforesaid proposed United States Standards for Grades of Cucumber Pickles.

Done at Washington, D. C., this 7th day of December 1953.

[SEAL] GEORGE A. DICE, *Deputy Assistant Administrator, Production and Marketing Administration.*

[F. R. Doc. 53–10303; Filed, Dec. 9, 1953; 8:53 a. m.]

[7 CFR Part 730]

RICE

NOTICE OF DETERMINATIONS PERTAINING TO MARKETING QUOTAS AND ACREAGE ALLOTMENTS FOR THE 1954 CROP

Section 354 (a) of the Agricultural Adjustment Act of 1938, as amended (7

U. S. C. 1354 (a)) requires the Secretary of Agriculture to determine whether marketing quotas shall be in effect on the 1954 crop of rice and, if quotas are required, to proclaim such quotas not later than December 31, 1953. Section 352 of the act, as amended (7 U. S. C. 1352) requires the Secretary not later than December 31, 1953, to proclaim the national acreage allotment of rice for the calendar year 1954.

Prior to the determinations and proclamations with respect to marketing quotas and acreage allotments for the 1954 crop of rice, consideration will be given to any data, views, and recommendations pertaining thereto which are submitted in writing to the Director, Grain Branch, Commodity Stabilization Service (formerly the Production and Marketing Administration) United States Department of Agriculture, Washington 25, D. C. All written submissions must be postmarked not later than 15 days after the date of publication of this notice in the FEDERAL REGISTER.

Issued at Washington, D. C., this 7th day of December 1953.

[SEAL] HOWARD H. GORDON,
Administrator

[F. R. Doc. 53-10302; Filed, Dec. 9, 1953; 8:53 a. m.]

NOTICES

DEPARTMENT OF THE TREASURY

Foreign Assets Control

IMPORTATION OF CERTAIN MERCHANDISE DIRECTLY FROM HONG KONG

AVAILABLE CERTIFICATIONS

Notice is hereby given that certificates of origin issued by the Department of Commerce and Industry of the Government of Hong Kong under procedures agreed upon between that government and the Foreign Assets Control are now available with respect to the importation into the United States directly, or on a through bill of lading, from Hong Kong of the following additional commodities:

Novelties, pewter and tinware.
Porcelain, Japanese, decorated in Hong Kong.
Rice powder.
Turnips, preserved.

[SEAL] ELTING ARNOLD,
Acting Director
Foreign Assets Control.

[F R. Doc. 53-10295; Filed, Dec. 8, 1953; 1:12 p. m.]

DEPARTMENT OF COMMERCE

Office of the Secretary

[Case No. 157; Appeals Board Docket FC-19]

ATLANTIC & PACIFIC WIRE & CABLE CO., INC., ET AL.

DECISION OF APPEALS BOARD

In the matter of: Atlantic & Pacific Wire & Cable Co., Inc., Martin Oboler, its president, Irving Rubin, its secretary and treasurer, 112-01 Northern Boulevard, East Elmhurst, Long Island, New York; Vicente Larrauri, 814 Cortlandt Avenue, Bronx, New York, Respondents; Case No. 157; Appeals Board Docket FC-19.

This matter comes before the Appeals Board by letter of appeal in behalf of Vicente Larrauri, dated July 24, 1953, and by letter of appeal dated July 30, 1953, by and in behalf of the Atlantic and Pacific Wire and Cable Company, Inc. (hereinafter referred to as A & P), and Martin Oboler and Irving Rubin, its officers. These parties appeal from an Order Revoking and Denying License Privileges dated July 17, 1953, issued by the Office of International Trade against said appellants. Also named in the said Order was one Julio Limantour of New York City, who has not appealed.

On August 3, 1953, the Order Revoking and Denying License Privileges was stayed in all respects as to these appellants, but not as to Limantour, by action of the Office of International Trade, pending final decision on their respective appeals by this Board.

A hearing in the matter of these appeals was held by the Appeals Board on October 1, 1953, at which time appellant Larrauri was represented by counsel, and appellants A & P Oboler and Rubin were represented by Martin Oboler, president of said company.

The record in this appeal includes the charging letter from the Office of International Trade to the several appellants, dated March 13, 1953, transcript of the hearing before a Compliance Commissioner of the Office of International Trade, in New York City, on May 19, 1953, and various exhibits admitted in evidence at the said hearing. The report and recommendations of the Compliance Commissioner and the Order Revoking and Denying License Privileges are also a part of the record.

An application for an export license, dated June 18, 1951, was made by Oboler as president of A & P Relying upon statements made therein and in various amendments and additions thereto, the Office of International Trade issued a license permitting the exportation of 2,500 pounds of resistance wire, having a copper content of 2,110 pounds, to a named consignee (one Alfredo Lopez) in Buenos Aires, Argentina. The exportation, however, was never made.

During the period of validity of the said license, on or about May 21, 1952, A & P inserted in the New York Times an advertisement offering for sale 3,500 pounds of assorted nichrome wire for export to Argentina with export license. Despite the obvious disparity in the amount and nature of the commodity covered by the license and referred to in the advertisement, appellants do not dispute that the advertisement refers to any other than the license which is involved in this appeal.

Subsequently, the Office of International Trade charged these appellants and the aforesaid Limantour with violation of the Export Control Act and the regulations issued pursuant thereto, in several material respects having to do with the specified application for export license and the placing of the advertisement.

The record in this case shows the following:

1. When the subject application for export license was filed, it named A & P as the exporter, Alfredo Lopez as the intermediate and ultimate consignee, and stated that the ultimate end use of the wire would be "For maintenance and repair of hospital and medical equipment. For purchaser's end use."

2. The application for export license was originally prepared by Larrauri with the assistance and guidance of Limantour, his employer.

3. Oboler signed the application for A & P that it was returned by the Office of International Trade to A & P more than once after its original filing for additional information; that this information was supplied by Oboler or Rubin in behalf of A & P

4. An order for the wire in question was given to A & P by the J. L. Distributing Corporation (a defunct New York Corporation then owned or controlled by Limantour)

5. That a purported "import permit" was issued to Lopez by the Argentine Government which could have covered steel, nichrome or nickelin wire, but not wire having more than 80 percent copper content, as described in the A & P application and the export license which was issued thereon.

There were indications that A & P had been selling wire to or through the J. L. Distributing Corporation, Limantour and Larrauri, and was paid for this wire by Runyon Trading Corporation, Lopez' domestic agent. These were domestic transactions as far as A & P was concerned because while the wire was shipped to the dock by A & P, it was admittedly exported by Runyon under general license to a foreign consignee, believed to be Lopez in Argentina.

Larrauri was found by the Compliance Commissioner to have knowingly stated falsely in the application for the export license which he prepared, that A & P was to be the exporter; and to have stated the end use although he had no basis for assuming that the end use was to be as hereinbefore quoted. Further he was found to have known that there was no contract or agreement to buy and sell as between A & P and Lopez.

Larrauri argues from the record (1) that since the exportation never took place, it cannot be shown conclusively that the statement that A & P was to

be the exporter was false at the time it was made; (2) that the existence of the "import permit" the history of previous similar transactions, and the absence of any evidence of falsity, create an inference of credibility as to the existence of a contract or agreement. In view of the obviously loose business methods of the persons concerned, the Board believes that the evidence adduced can do no more than create a doubt as to the veracity of the statements, and concludes that Larrauri is entitled to the benefit of that doubt, especially in view of his inexperience with validated license shipments and the fact that he had nothing more to do with the transaction after preparing the application.

A & P through Oboler, was found by the Compliance Commissioner to have executed the original application for export license as prepared by Larrauri, and, in so doing, represented that the statements therein were true; to have falsely represented that A & P had received an order from the named consignee for the commodity mentioned therein; to have falsely represented that A & P was to be the exporter; to have represented that A & P had purchased the resistance wire intended to be exported, when, in fact, the consignee had an import permit for nichrome wire, and A & P had not purchased and did not have the 10,000 pounds of nichrome wire for this transaction; and that, after receipt of the resulting export license, A & P placed an advertisement in a New York City newspaper offering for sale 3,500 pounds of nichrome wire for export to Argentina with export license for immediate shipment. Rubin, on behalf of A & P was found by the Commissioner to have resubmitted the application with additional information, thereby participating in the misrepresentations found by the Commissioner to be contained therein. Since the acts of Oboler and Rubin, as officers of A & P and the acts of A & P as a corporation, are so interrelated, the Board hereinafter considers them together.

It is not disputed that the application was in fact signed by Oboler in his capacity as president of A & P. Accordingly, he must be taken to have assumed for A & P the role and responsibility of the exporter.

As previously stated, on various occasions A & P had sold wire to J. L. Distributing Corporation, had received payment therefor from Runyon Trading Corporation (Lopez' domestic contact) and had delivered such wire to the dock knowing that Runyon would then export the wire to Argentina for delivery to Lopez. These transactions occurred during the time that validated licenses were not required for such operations. In the light of such past experience, Oboler argues that he could rely (as he claims he did) on an order from J. L. Distributing Corporation as representing in fact the existence of an order from the consignee. However, the certificate signed by Oboler, and referred to in the pertinent finding of fact, recites that the application for export license represents a request to export commodities which the named purchaser has contracted to buy, and the applicant has contracted to sell; it further certifies that "the documents or records evidencing this contract will be kept by this applicant for three years. * * *"

The finding that A & P did not have the type of wire covered by the "import permit" is in considerable degree supported by the record.

These appellants admit that A & P inserted the advertisement in a New York newspaper as charged. They claim, in exculpation of this violation, that they were wholly inexperienced in export control regulations; that they found themselves in possession of a quantity of wire available for the prospective transaction, which at that time appeared to have "evaporated"; that the advertisement was withdrawn and the license surrendered on demand by the Office of International Trade. A reasonable interpretation of the facts strongly suggests that the placing of the advertisement was the result of ignorance of the regulations.

After careful consideration of all the evidence, the Board concludes that there has been, on the part of all these appellants, a high degree of carelessness in their dealing with the Government. There is the testimony of Larrauri that he and Limantour inserted the name of A & P as the applicant for license in the belief that the Office of International Trade might thereby be more favorably impressed. There is the testimony of Oboler that the application was originally signed by him without attention to its content and without any question or investigation as to the existence of a contract from Lopez. The casual business methods of these appellants and their irresponsible dealing with their Government cannot be passed over in silence lest the Government be made impotent to perform its statutory duty of controlling exports.

As to Larrauri, the record shows that he prepared an export license application for A & P, but it does not appear that he knew that the statements he placed on this application were untrue. After presenting the application to A & P for signature, apparently he had no further part in the application, and the later changes and additions were made thereto by A & P in order to make it acceptable to the Office of International Trade.

As to A & P Oboler and Rubin, the record shows conclusively that they were careless, negligent and had little regard for their obligations in dealing with the U. S. Government in making sure of the facts set forth in an export license application before presenting it to the Office of International Trade. This, particularly when coupled with the advertisement in the New York Times, constitutes acts that are in such blatant disregard of government regulations that they constitute culpable ignorance which cannot be excused.

After careful consideration of the evidence and arguments, before it the Appeals Board finds that the findings in the Order Revoking and Denying License Privileges, insofar as they relate to culpable acts on the part of Vicente Larrauri are not supported by substantial evidence, but that, as to A & P, Oboler and Rubin, sufficient evidence exists to sustain in part such findings. *Now, therefore, it is ordered,* That:

(a) The appeal of Vicente Larrauri be granted, and that the Order Revoking and Denying License Privileges, dated July 17, 1953, OIT Case No. 157 (18 F. R. 4345) insofar as it relates to said appellant, be, and it is, hereby vacated.

(b) The appeal of the Atlantic and Pacific Wire and Cable Company, Inc., Martin Oboler and Irving Rubin be denied and that the Order Revoking and Denying License Privileges, dated July 17, 1953, OIT Case No. 157 (18 F. R. 4345), insofar as it relates to said appellants be, and it is, hereby sustained and confirmed in all respects except that the period during which the suspension of privileges thereunder shall be effective is reduced from twelve months to one month from the date hereof; thereafter for a period of eleven months the order shall be held in abeyance provided that these appellants shall not in the opinion of the Director, Office of Export Supply, Bureau of Foreign Commerce, violate during said eleven months period, any provision of the order or regulations of the Bureau of Foreign Commerce (formerly Office of International Trade) relating to export control. If, in the opinion of the Director, Office of Export Supply, such violations do occur, he may summarily issue an order as to these appellants reinstating and making effective said Order for the balance of said eleven months period.

Dated: December 3, 1953, at Washington, D. C.

FREDERIC W. OLMSTEAD,
Chairman, Appeals Board.

[F. R. Doc. 53-10284; Filed, Dec. 9, 1953; 8:49 a. m.]

CIVIL AERONAUTICS BOARD

[Docket No. 5933]

TRANS-TEXAS AIRWAYS

NOTICE OF POSTPONEMENT OF HEARING

In the matter of the application of R. E. McKaughan and Trans-Texas Airways for approval of control and interlocking relationships under sections 408 and 409 of the Civil Aeronautics Act of 1938, as amended.

Notice is hereby given pursuant to the Civil Aeronautics Act of 1938, as amended, that hearing in the above-entitled proceeding, assigned to be held December 10, 1953, in Washington, D. C., is hereby postponed and reassigned to be held on December 14, 1953, at 10:00 a. m., e. s. t., in Room 2070, Temporary Building No. 5, Sixteenth Street and Constitution Avenue NW., Washington, D. C., before Examiner Curtis C. Henderson.

Dated at Washington, D. C., December 7, 1953.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F. R. Doc. 53-10300; Filed, Dec. 9, 1953; 8:52 a. m.]

[Docket No. 6204]

NORTHEAST AIRLINES, INC.

NOTICE OF REASSIGNMENT OF HEARING

In the matter of an investigation to determine whether the certificate of public convenience and necessity for route No. 27 held by Northeast Airlines, Inc., should be altered, amended, or modified so as to eliminate therefrom authority to serve the intermediate point Provincetown, Massachusetts.

Notice is hereby given pursuant to the Civil Aeronautics Act of 1938, as amended, that hearing in the above-entitled proceeding heretofore assigned to be held on January 6, 1954, at 10:00 a. m., e. s. t., in Room E-210, Temporary Building No. 5, Sixteenth Street and Constitution Avenue NW., Washington, D. C., before Examiner Joseph L. Fitzmaurice is hereby reassigned and will be held on the same date and in Room 2070 of the same building at the same address before Examiner Joseph L. Fitzmaurice.

Dated at Washington, D. C., December 7, 1953.

[SEAL] FRANCIS W BROWN,
Chief Examiner

[F. R. Doc. 53-10301; Filed, Dec. 9, 1953; 8:52 a. m.]

FEDERAL POWER COMMISSION

[Docket No. E-6383]

MCNARY PROJECT, COLUMBIA RIVER, WASHINGTON-OREGON

NOTICE OF INTERIM ALLOCATION OF COSTS

DECEMBER 4, 1953.

Notice is hereby given that on December 4, 1953, the Federal Power Commission issued its interim allocation of costs adopted November 25, 1953, in the above-entitled matter.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-10270; Filed, Dec. 9, 1953; 8:45 a. m.]

[Docket No. E-6499]

DELAWARE POWER AND LIGHT CO. ET AL.

NOTICE OF POSTPONEMENT OF HEARING

DECEMBER 4, 1953.

In the matter of Delaware Power and Light Company, the Eastern Shore Public Service Company of Maryland, Eastern Shore Public Service Company of Virginia; Docket No. E-6499.

Notice is hereby given that the hearing in the above-designated matter now scheduled to commence on December 10, 1953, is postponed to December 17, 1953, at 10:00 a. m., in the Commission's Hearing Room, 441 G Street NW., Washington, D. C.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-10276; Filed, Dec. 9, 1953; 8:47 a. m.]

[Docket No. E-6512]

PENNSYLVANIA WATER AND POWER CO. AND CONSOLIDATED GAS ELECTRIC LIGHT AND POWER CO. OF BALTIMORE

NOTICE OF OPINION NO. 263

DECEMBER 4, 1953.

Notice is hereby given that on December 3, 1953, the Federal Power Commission issued its opinion adopted December 2, 1953, in the above-entitled matter.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-10271; Filed, Dec. 9, 1953; 8:45 a. m.]

[Docket No. E-6528]

IOWA POWER AND LIGHT CO.

NOTICE OF SUPPLEMENTAL ORDER AUTHORIZING ISSUANCE OF SECURITIES

DECEMBER 4, 1953.

Notice is hereby given that on December 2, 1953, the Federal Power Commission issued its order adopted December 2, 1953, authorizing issuance of securities in the above-entitled matter.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-10272; Filed, Dec. 9, 1953; 8:45 a. m.]

[Docket No. G-2271]

TENNESSEE GAS TRANSMISSION CO.

ORDER FIXING DATE OF HEARING

Tennessee Gas Transmission Company (Applicant) a Delaware corporation having its principal place of business in Houston, Texas, on October 12, 1953, filed an application for a certificate of public convenience and necessity pursuant to section 7 (c) of the Natural Gas Act, authorizing the transportation and sale of natural gas in increased volumes to Alabama-Tennessee Natural Gas Company, Tennessee Natural Gas Lines, Inc. and Western Kentucky Gas Company for the purpose of enabling these customer companies to meet their requirements during the 1953-1954 winter, all as more fully described in said application on file with the Commission and open to public inspection.

By order issued October 28, 1953, in Docket No. G-2222, et al., that part of the above-entitled proceeding involving increased deliveries of gas to Alabama-Tennessee Natural Gas Company was severed from the other matters involved in said proceeding for the purpose of separate hearing and disposition.

Applicant has requested that its application be heard under the shortened procedure provided by § 1.32 (b) (18 CFR 1.32 (b)) of the Commission's rules of practice and procedure, and no request to be heard, protest, or petition in opposition to the application as it relates to Tennessee Natural Gas Lines, Inc., and Western Kentucky Gas Company has been filed subsequent to the giving of due notice of the filing of the application, including publication in the FEDERAL REGISTER on October 23, 1953 (18 F R. 6741)

The Commission finds: That part of this proceeding involving the transportation and sale of increased volumes of natural gas to Tennessee Natural Gas Lines, Inc. and Western Kentucky Gas Company is a proper one for disposition under the provisions of § 1.32 (b) of the Commission's rules and practice and procedure.

The Commission orders:

(A) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing be held on December 18, 1953, at 9:30 a. m., e. s. t., in the Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D. C., concerning the matters involved and the issues presented by that part of the above application involving the transportation and sale of increased volumes of natural gas to Tennessee Natural Gas Lines, Inc. and Western Kentucky Gas Company: *Provided, however* That the Commission may, after a noncontested hearing, forthwith dispose of the proceeding pursuant to the provisions of § 1.32 (b) of the Commission's rules of practice and procedure.

(B) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) (18 CFR 1.8 and 1.37 (f)) of the said rules of practice and procedure.

Adopted: December 2, 1953.

Issued: December 4, 1953.

By the Commission.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-10274; Filed, Dec. 9, 1953; 8:46 a. m.]

[Docket No. G-2268]

EAST TENNESSEE NATURAL GAS CO.

ORDER FIXING DATE OF HEARING

On October 7, 1953, East Tennessee Natural Gas Company (Applicant), a Tennessee corporation with its principal office near Knoxville, Tennessee, filed an application for a certificate of public convenience and necessity, pursuant to section 7 of the Natural Gas Act, authorizing the construction and operation near Calhoun, in McMinn County, Tennessee, of certain natural gas interconnecting, metering and regulating facilities for the purpose of delivering and selling, upon an interruptible basis, up to 9,000 Mcf of natural gas per day to Bowaters Southern Paper Corporation for use in its plant being constructed in such area for the processing of wood into wood pulp for use in the manufacturing of paper.

Applicant has requested that its application be heard under the shortened procedure provided for in § 1.32 (b) of the Commission's rules of practice and

procedure (18 CFR 1.32 (b)). Due notice of the filing of the application has been given, including publication in the FEDERAL REGISTER on October 29, 1953 (18 F R. 6838)

Petitions for leave to intervene in the above-entitled proceeding have been filed by, among others, Tennessee Gas Company, Chattanooga Gas Company, and Athens (Tenn.) Utilities Board, utility customers of Applicant. Such Petitioners object to this proceeding being considered under the shortened-procedure rule and request to be heard concerning the application.

The Commission finds:

(1) This proceeding, in the circumstances, is not a proper one for disposition under the provisions of the aforesaid § 1.32 (b) of its rules of practice and procedure.

(2) It is appropriate, reasonable, and in the public interest in carrying out the provisions of the Natural Gas Act, and good cause exists, to hold a public hearing in the above-entitled proceeding, as hereinafter provided and ordered.

The Commission orders:

(A) Pursuant to authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7, 15, and 16 of the Natural Gas Act, and the Commission's general rules and regulations, including rules of practice and procedure (18 CFR, Chapter I) a public hearing be held, commencing on January 12, 1954, at 10:00 a. m., e. s. t., in the Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D. C., concerning the matters involved in and the issues presented by the application herein.

(B) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) of the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37 (f)).

Adopted: December 2, 1953.

Issued: December 4, 1953.

By the Commission.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 53-10273; Filed, Dec. 9, 1953; 8:46 a. m.]

[Docket No. G-2323]

EL PASO NATURAL GAS CO.

ORDER SUSPENDING PROPOSED CANCELLATION OF TARIFF AND FIXING DATE OF HEARING

On November 6, 1953, El Paso Natural Gas Company (El Paso) filed a Notice of Cancellation of its Rate Schedule T-1, and on November 9, 1953, filed a Notice of Cancellation of Service Agreement Form C of its FPC Gas Tariff, Original Volume No. 1, applicable only to the transportation service prescribed in Rate Schedule T-1, proposing the cancellation of its common carrier Rate Schedule T-1 for transportation of natural gas and of Form C of Service Agreement, respectively.

Rate Schedule T-1, which together with Form C of the Service Agreement has been in effect since December 19, 1950, was filed to comply with a stipulation entered into by El Paso with the Department of Interior requiring that El Paso have on file with the Commission a rate schedule for common carrier service, as a prerequisite to Interior's issuance under the Mineral Leasing Act of permits granting rights-of-way to El Paso. No service has yet been rendered under the rate schedule and service agreement.

The Mineral Leasing Act has recently been amended and El Paso states that it has been advised by the Department of the Interior that, in effect, the common carrier requirement of the Mineral Leasing Act is not now applicable to a company subject to regulation under the Natural Gas Act. El Paso now proposes to cancel Rate Schedule T-1, as it "does not consider the rate schedule to be in the public interest."

Notice of the proposed cancellation has been sent to those parties notified by El Paso at the time the T-1 rate schedule was filed initially, to others who have in the past expressed a desire to obtain transportation service, to the State commissions concerned, and to the Department of the Interior. Several of such parties have protested or filed objection to the proposed cancellation of the transportation rate schedule, requesting additional time to prepare and file answers to the proposed cancellation, or requesting a hearing on the matter and seeking additional time to prepare therefor.

The cancellation of Rate Schedule T-1 and Form C of the Service Agreement has not been shown to be justified, and such cancellation may result in the making or granting of an undue preference or advantage to some or the subjecting of others to an undue prejudice or disadvantage or may result in rates that are unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

Unless suspended by order of the Commission, the proposed cancellation of the Rate Schedule T-1 will become effective upon expiration of statutory notice on December 7, 1953, and of the Form C of the Service Agreement on December 10, 1953, pursuant to the provisions of the Natural Gas Act and the general rules and regulations thereunder.

The Commission finds: It is necessary and proper in the public interest, and to aid in the enforcement of the provisions of the Natural Gas Act, that the Commission enter upon a hearing pursuant to the authority contained in section 4 of the Natural Gas Act, concerning the lawfulness of the proposed cancellation of El Paso's Rate Schedule T-1 and Form C of the Service Agreement, and whether the cancellation thereof would result in the making or granting of an undue preference or advantage to some or the subjecting of others to an undue prejudice or disadvantage or in rates that are unjust, unreasonable, unduly discriminatory, or preferential or otherwise unlawful; and that the proposed Notices of Cancellation be suspended as hereinafter provided, and the effect thereof deferred pending hearing and decision herein.

The Commission orders:

(A) A public hearing be held commencing on March 1, 1954, at 10 a. m., e. s. t., in the Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D. C., concerning the lawfulness of El Paso's proposed cancellation of its common carrier Rate Schedule T-1 for transportation of natural gas, and the Form C of Service Agreement of its FPC Gas Tariff, Original Volume No. 1, as proposed by the Notices of Cancellation filed November 6, 1953, and November 9, 1953.

(B) Pending such hearing and decision thereon, the proposed Notices of Cancellation of El Paso, described in paragraph (A) above, be and they are hereby suspended, and the effect thereof deferred until May 8, 1954, and May 11, 1954, respectively, unless otherwise ordered by the Commission, or until such time as said proposed cancellations may be made effective in the manner prescribed by the Natural Gas Act.

(C) At the hearing, the parties, including Commission staff counsel, may reserve cross-examination until after El Paso shall have presented and completed its case-in-chief.

(D) El Paso shall serve upon all parties not later than February 15, 1954, copies of the testimony and exhibits proposed to be offered at the hearing, including five (5) copies upon Commission staff counsel.

(E) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) (18 CFR 1.8 and 1.37 (f)) of the Commission's rules of practice and procedure.

Adopted: December 2, 1953.

Issued: December 4, 1953.

By the Commission.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 53-10275; Filed, Dec. 9, 1953; 8:46 a. m.]

INTERSTATE COMMERCE COMMISSION

[Drouth Order 52]

TRANSPORTATION OF HAY AND FEED TO ALABAMA

REDUCED RATES

In the matter of relief under section 22 of the Interstate Commerce Act.

It appearing that by reason of a prolong drouth existing in the State of Alabama, the Under Secretary of Agriculture by letter dated December 3, 1953, has requested the Commission to enter an order under section 22 of the Interstate Commerce Act authorizing railroads subject to the Commission's jurisdiction to transport hay and feed to Alabama at reduced rates:

It is ordered, That carriers by railroad participating in the transportation of hay and feed to Alabama be, and they are hereby, authorized under section 22 of the Interstate Commerce Act, to establish and maintain to and including June 30, 1954, reduced rates for such transportation, the rates to be published and filed in the manner prescribed in

section 6 of the Interstate Commerce Act except that they may be made effective one day after publication and filing instead of thirty.

It is further ordered, That the class of persons entitled to such reduced rates is hereby defined as persons designated as being in distress and in need of relief by the United States Department of Agriculture or by such State agents or agencies as may in turn be designated by the United States Department of Agriculture to assist in relieving the distress caused by the drouth.

It is further ordered, That during the period in which any reduced rates authorized by this order are effective the carriers may, notwithstanding the provisions of section 4 of the Interstate Commerce Act, maintain higher rates to directly intermediate points and maintain through rates in excess of the aggregate-of-intermediate rates over the same routes if one or more of the factors of such aggregate-of-intermediate rates is a reduced rate established under the authority of this order.

It is further ordered, That any tariffs or tariff provisions published under the authority of this order shall explicitly so state, making reference to this order by number and date.

And it is further ordered, That notice to the affected railroads and the general public shall be given by depositing a copy of this order in the office of the Secretary of the Commission and by filing a copy with the Director, Division of the Federal Register; and that copies be mailed to the Chairman of the Traffic Executive Association-Eastern Railroads, New York, N. Y., the Chairman of the Southern Freight Association, Atlanta, Georgia, the Chairman of the Executive Committee, Western Traffic Association, Chicago, Illinois, the Traffic Vice-President of the Association of American Railroads, Washington, D. C., and to the President of the American Short Line Railroad Association, Washington, D. C.

Dated at Washington, D. C., this 7th day of December 1953.

By the Commission.

[SEAL] GEORGE W. LAIRD, *Secretary.*

[F. R. Doc. 53-10298; Filed, Dec. 9, 1953; 8:52 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. S7-72]

REDDY KILOWATT, INC.

NOTICE OF FILING OF PETITION TO AMEND RULE U-40 UNDER THE PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

DECEMBER 4, 1953.

Notice is hereby given that Reddy Kilowatt, Inc. ("Petitioner") a Delaware corporation and a non-utility company, has filed a petition requesting that the Commission amend its Rule U-40 of the general rules and regulations promulgated under the Public Utility Holding Company Act of 1935 ("act") so as to exempt from section 9 (a) (1) of the act the acquisition by a registered holding company or subsidiary company thereof of securities of a company such as Petitioner.

Petitioner requests that the Commission renumber the present paragraph (c) of Rule U-40 as paragraph (d) and add a new paragraph (c) reading as follows:

(c) Section 9 (a) (1) shall not apply to the acquisition of securities of a company whose principal business is the ownership and/or licensing of trade names, trade-marks and service marks used by public-utility companies in the ordinary course of their business and the preparation, distribution and/or sale of material and services related wholly to such names and marks.

In support of its petition, Petitioner states as follows:

Petitioner is the successor of Ashton B. Collins (who since 1934 had been engaged as a sole proprietorship doing business as Reddy Kilowatt and Reddy Kilowatt Service) and owns certain trade names, trade-marks and service marks, including the term "Reddy Kilowatt" and the character known by that name. Petitioner and/or its predecessor have licensed the use of such marks to about 222 public utility companies, of which approximately 47 are subsidiaries of holding companies registered under the act.

At the time Petitioner was organized in June 1953, Collins turned over to it all of his business and assets and received in exchange all of the authorized stock of Petitioner consisting of 1,000 shares of common stock of $1 par value per share. To enable licensees to participate in the control of the marks owned by Petitioner, Collins created a joint tenancy in 200 shares of such stock and offered Petitioner's licensees the opportunity to become the joint owners of such shares without payment. Acceptance of such offer by a licensee subject to the requirements of the act would require the Commission's approval pursuant to section 9 (a) (1) of the act.

Petitioner asserts that the Commission has power to promulgate the requested amendment pursuant to section 9 (c) (3) of the act since the promotion of sales and good consumer relations and the protection and enhancement of valuable trade-marks which serve these ends is part of the ordinary course of business of a public-utility company. Petitioner further asserts that adoption of the proposed amendment would not be detrimental to the public interest or the interests of investors or consumers and that such interests would be better served by such an amendment which would eliminate the expenditure by the Commission and the licensees subject to the act of time and money in connection with the transactions as to which the exception is sought.

All interested persons are invited to submit in writing data, views and comments, regarding Petitioner's request to the Secretary, Securities and Exchange Commission, at its principal office, 425 Second Street NW., Washington 25, D. C., on or before December 22, 1953.

By the Commission.

[SEAL] NELLYE A. THORSEN, *Assistant Secretary.*

[F. R. Doc. 53-10279; Filed, Dec. 9, 1953; 8:48 a. m.]

[File No. 70-3120]

ARKANSAS LOUISIANA GAS CO.

SUPPLEMENTAL ORDER RELEASING JURISDICTION OVER CERTAIN FEES AND EXPENSES

DECEMBER 4, 1953.

The Commission, on September 14, 1953, having issued its memorandum opinion and order permitting a declaration to become effective regarding the issuance and sale by Arkansas Louisiana Gas Company ("Arkansas Louisiana") of $35,000,000 principal amount of First Mortgage Bonds to a group of 15 institutional investors and not to exceed $35,000,000 of temporary bank notes, and having reserved jurisdiction with respect to all fees, commissions and expenses incurred or to be incurred in connection with said transactions; and

Arkansas Louisiana having filed amendments to its declaration listing fees, commissions and expenses aggregating $281,962 which includes fees and expenses incurred in connection with its previous unconsummated offer at competitive bidding of $35,000,000 first mortgage bonds (Holding Company Act Release No. 12134) Such fees and expenses include $90,000 financial advisers and placement fee, and not to exceed $2,500 as reimbursement for expenses, to The First Boston Corporation, Halsey Stuart and Co., Inc. and Lazard Freres & Co., $35,000 attorneys' fee to Fruecauff, Burns, Farrell, Shanley & Johnson, and attorneys' fee to Blanchard, Goldstein, Walker & O'Quinn, both as counsel for Arkansas Louisiana, and, $20,000 attorneys' fee to Davis Polk Wardwell & Kiendl, who acted as counsel for the prospective underwriters in the competitive bidding offer and as counsel for the institutional purchasers; and

It appearing that said fees, commissions and expenses are not unreasonable;

It is ordered, That the jurisdiction heretofore reserved over fees, commissions and expenses be, and the same hereby is, released.

By the Commission.

[SEAL] NELLYE A. THORSEN, *Assistant Secretary.*

[F. R. Doc. 53-10278; Filed, Dec. 9, 1953; 8:47 a. m.]

[File No. 70-3157]

QUINCY ELECTRIC LIGHT AND POWER CO. ET AL.

NOTICE OF PROPOSED ISSUANCE AND SALE OF SHORT-TERM UNSECURED PROMISSORY NOTES TO PARENT COMPANY

DECEMBER 4, 1953.

In the matter of Quincy Electric Light and Power Company, Suburban Electric

Company, New England Electric System; File No. 70-3157.

Notice is hereby given that New England Electric System ("NEES") a registered holding company, and its subsidiary companies, Quincy Electric Light and Power Company ("Quincy") and Suburban Electric Company ("Suburban") have filed with this Commission a joint application-declaration pursuant to the Public Utility Holding Company Act of 1935 (the "act") The applicants-declarants have designated sections 6 (a) 7, 9 (a) 10 and 12 (f) of the act and Rules U-23, U-42 (b) (2) U-43 (a) U-45 (b) (1) and U-50 (a) (3) promulgated thereunder as applicable to the proposed transactions which are summarized as follows:

Quincy and Suburban propose to issue to NEES, from time to time but not later than December 31, 1953, unsecured promissory notes in the respective aggregate principal amounts of $1,250,000 and $2,500,000. Each of said notes will mature April 1, 1954, and may be prepaid in whole or in part without payment of a premium.

Quincy presently has outstanding unsecured promissory notes payable to NEES in the principal amount of $1,080,000 and notes payable to banks in the principal amount of $200,000. Suburban presently has outstanding $3,800,000 principal amount of unsecured promissory notes payable to banks. Both companies have Commission authorization to issue additional promissory notes to banks; Quincy in the amount of $1,080,000 and Suburban in the amount of $635,000 (see Holding Company Act Release No. 12121, August 31, 1953) Such authorization will not be effective if and when this Commission makes its order approving the notes herein proposed to be issued to NEES. The proceeds derived from such notes will be used by Quincy and Suburban to prepay a like principal amount of note indebtedness to banks and to NEES. The interest rate on such notes will be at the prime interest rate being paid by Quincy and Suburban on the notes prepaid until their maturity date and thereafter at the prime interest rate at the time of issuance. The notes to be prepaid bear interest at 3¼ percent which, according to the application-declaration, is the present prime interest rate.

Each borrowing company has stipulated that if any permanent financing is done prior to the maturity date of its then outstanding unsecured promissory notes, the proceeds derived therefrom will be applied in reduction of, or in total payment of, notes then outstanding, and the amount of then authorized but unissued promissory notes will be reduced by the amount, if any, by which such permanent financing exceeds the amount of the then outstanding unsecured promissory notes.

The application-declaration states that incidental services in connection with the proposed note issues will be performed at cost by New England Power Service Company, an affiliated service company, such cost being estimated not to exceed $150 for each applicant-declarant, or an aggregate of $450.

The application-declaration further states that no State commission and no Federal commission, other than this Commission, has jurisdiction over the proposed transactions.

Applicants-declarants request that the Commission's order herein become effective forthwith upon issuance.

Notice is further given that any interested person may, not later than December 21, 1953, at 5:30 p. m., e. s. t., request the Commission in writing that a hearing be held on such matter, stating the nature of his interest, the reason or reasons for such request and the issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C. At any time after said date, the joint application-declaration, as filed or as amended, may be granted and permitted to become effective as provided in Rule U-23 of the rules and regulations promulgated under the act, or the Commission may exempt such transactions as provided in Rules U-20 and U-100 thereof.

By the Commission.

[SEAL] NELLYE A. THORSEN, *Assistant Secretary.*

[F. R. Doc. 53-10277; Filed, Dec. 9, 1953; 8:47 a. m.]